STREET, STREET

M. P. Spiret Sign

THE STREET IS A

th 12 (22)

Be it went with the

TE DER STRIKE

Micha Pancing into

ME HO SOM THE CAN'T

MARIE TONE; BREEK!

es cime co estra 7

Lord has herest tage

蘇聯 5% 500元 10%多

A Profession Committee

s that of the protecting

1960kis white state

The Control of the Control

1557 - TO THE TAX

A Chara Torre to the

東 正 ま かいっせいま

Jeanne Consection

went to Billiana The way Tenion Belgain

IONAL

 $\mathcal{G}_{2}(\mathbb{R}^{n+1})$

01-1-255

8000

Regulation of the second

क्षा वर्षेत्र भूष

Maria

En Long Land

de with which

13w, Marcha C. D.

magn order and

all completed put heart and south

World News

Cameroon school stampede kills 55

At least 55 children were killed and 100 wounded in a stampede in a school in the Cameromian capital Yaounde when panic broke out and pupils had to squeeze out of a narrow exit. No immediate cause for the panic was identified.

21 days for Shamk Israeli President Chaim Her-zog, accusing Israeli leaders of petty politics, gave Likud Prime Minister Yitzbak Shamir 21 more days to form a govern-

Athens attacks

Four bomb blasts caused minor damage to two suburban political party offices, the home of an opposition member of par-liament and the car of another in Athens. Left-wing group Social Reaction claimed responsibility. Page 3

Algiers blast kills 18 Eighteen people were killed and eight seriously injured in a gas explosion at the privately-owned date processing plant at Tolga in Biskra, south-

Beirut car bombs Two car bombs exploded in Syrian - controlled areas of Lebanon wounding at least six people in Moslem west Beirut and throwing hospital

patients from their beds.

Belgrade retaliates Yugoslavia expelled three Australian diplomats in retaliation for the closure of the Yugoslav consulate in Sydney and expul-sion of its staff which followed the shooting of a Croatian youth during a demonstration.

Satellite deployed The crew of the space shuttle Atlantis has successfully. Atlantis has successfully. deployed a \$500m spy satellite, completing the main objective of the mission.

Karachi gun attack A masked gumman sprayed bullets at Iranian refugees outside a United Nations office

in Karachi, killing one and wounding five, before fleeing by car. Nuclear plant report

A blocked valve in the Biblis nuclear power plant near Darmstadt, West Germany, a year ago forced operators to shut it down but the malfunction did not put the public at risk, according to a government report. Page 3

Nigerian rail strike A strike by Nigerian railway workers over unpaid wages entered its second week leaving train services paralysed

'42 die on bus' Anti-Communist Moslem reb-

els opened fire on a passenger bus near Afghanistan's north-ern city of Kunduz, killing 42 people, according to the official Soviet news agency Tass.

Vincennes accused

International Civil Aviation Organisation report concluded that Navy personnel on board the USS Vincennes made several mistakes that led to the shooting down of an Iranian airliner over the Gulf in July.

Hirohito crisis

Japan's Emperor Hirohito survived the worst crisis of his 12-week illness when he lost a litre of blood and doctors iministered a transfusion and oxygen.

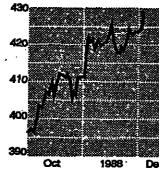
Business Summary

Mitsubishi offer brings instant 70% premium

MITSUBISHI Motors Corporation shares, launched on the Tokyo Stock Exchange in Japan's biggest private sec-tor flotation, shot to an immediate premium of nearly 70 per cent over the offer price to give the company a market value of Y1,114hn (\$9.18bn).

PLATINUM price in London reached its highest level for six months. GOLD reached a three-month peak. Some analysts believe the precious metals are due to lose ground

S per fine ounce



again this week. In early trad-ing in New York gold bullion ached \$431 a troy ounce and demand from Switzerland was particularly strong. This encouraged some profit-taking which saw the price dip later to \$429 an ounce, up \$4.35 from Friday. Page 40

INTERNATIONAL Thomson Organisation announced that it intends to sell its North Sea oil and gas interests in order to concentrate on its main businesses of information, publishing and travel. Page 27 FOUR leading US corporations

applied to convert a total of \$5bn of their common stock into a new type of hybrid debt and equity security whose issue could potentially have significant implications for investment management and corporate finance. Page 27

WEST GERMANY notched up yet another large trade surplus of DM10.6bm (\$6.2m) in Octo-ber, with the figure for the full year set to reach another

BANQUE INTERNATIONALE pour l'Afrique Occidentale, the 135-year-old French bank which used to issue currency for Francophone West Africa,

is to be bailed out by Banque Nationale de Paris, France's largest state-owned bank. Page FLETCHER Challenge, New

Zealand's biggest company, revealed itself as the second largest shareholder in CSR, the Australian building prod-ucts, sugar and aluminium group. Page 31

DEUTSCHE BANK faces being taken to court by the West German shareholder protection organisation, the DSW, over the bank's refusal to honour DM135m (\$78m) worth of Klöckner and Co profit-participation notes. Page 28

NORWAY announced the details of a modest liberalisa tion of credit market policy.

BRITISH consumers' outstanding credit showed the smallest rise for nearly two years in October but retail sales remained buoyant. Page 26

STATOIL, Norwegian state oil company, approved partici-pation in a NKrl.4bn (\$215m) joint venture project with Himont, US-based polypropyl-ene subsidiary of the Italian group Ferruzzi-Montedison. Page 81

INTEL, a leading US maker of semiconductors, which last month warned of a significant drop in fourth quarter revemues and earnings, has predicted that orders will start to pick up next year. Page 28

Moscow praises sterling efforts of the Iron Lady

By John Lloyd in Moscow

TWO OF the Soviet Union's most important daily newspapers, the Communist Party's Pravda and Sotsialisticheskaya Industriya, have published unambiguous tributes to That-

The articles come on the eve of the tour by Mr Mikhail Gorbachev, the Soviet leader, of the US, Cuba and Britain and will certainly have received approval from the Central Committee, which controls the national press.

Pravda's article, by Mr Vse

volod Evchinnikov, a former London correspondent of the newspaper, paints a bleak pic-ture of pre-Thatcher Britain, mocked by friends and enemies

Then the Iron Lady arrived, apparently proclaiming the slogan hitherto little known (to

the British): "You only get free cheese in mousetraps"; turned the economy round; "accelerated the growth of the country" to up to 4 per cent, higher than other major capitalist countries except Japan; stabi-lised the share of world trade and began to see it increase; and encouraged advanced technology areas such as Cambridge and "Silicon Glen."

Mr Evchinikov then slips

into more familiar gear and talks of "capitalism with an inhuman face," quoting a battery of largely unnamed sources as pointing to a crumbling Health Service, north-south divisions and rising crime.
The writer of the Sotsialisti-

cheskaya Industriya piece, Mr Levmakarevich, shows himself both knowledgeable and precise, not invariable compo-nents of Soviet foreign affairs journalism. He is also much less "balanced" than Mr Evchinikov. Mrs Thatcher had some good fortune, he concedes, but "no fortunate circumstances can save politics if the politicians lack talent.

Like Mr Evchinnikov, he says the British were "fed up" with the decline of their coun-try. The British ruling class, in desperation, turned to Mrs Thatcher – and chose well. In nine years, she had "lifted the country out of its depressed state," privatised all-ing industries and sacked incompetent bureaucrats.

The key sectors of banking, finance and service industries were targeted and they achieved most success. But so too did some industrial areas,

such as cars, steel and chemi-Every third Briton - Mr

Evchinnikov says every fifth
- is a shareholder but they agree that 60 per cent own their own homes.

Mrs Thatcher has kept in mind, says Mr Makarevich, the completion of the European internal market by 1992. "Those who will run this common market will be the very strong, and Margaret Thatcher wants to be one of those at any

Mr Evchinnikov merely hints that Britain has lessons to learn, most tellingly in his allusion to pre-Thatcher days as a time of "stagnation," the official designation of the pre-Gorbachev, Brezhenv period in

the Soviet Union. Mr Makarevich is characteristically less inhibited: he twice calls her reforms a perestroika and insists that her success is due to the fact that she saw and implemented her reforms as a whole rather than in bits and pieces - a key point made by Soviet reform economists of their own economy.

Both writers agree, however on the opposition, saying that neither the Labour Party nor the centre parties are likely to win the next election.

They are also indifferent or scathing about the trade unions: Mr Evchinikov noting their decline and inability to challenge the Government, Mr Makarevich saying that "over-moning them (the unions) proved easy, since the leader-ship was paralysed by bureau-cracy and fear of the scientific technical revolution."

Gorbachev to seek agreement on arms negotiations

THE UN'S ROLE

A quest for new self-respect

By Quentin Peel in Moscow, David White in London and Judy Dempsey in Vienna

MR MIKHAIL Gorbachev, Soviet leader, today leaves behind his domestic problems to embark on an eight-day overseas trip. He is expected to press the US and Britain to acknowledge Soviet improvements in human rights and

clear the way for talks on conventional arms. Several of the final obstacles to negotiations on conventional weapons in Europe have been overcome in the past few days and diplomats say Mr Gorbachev is likely to be looking for a breakthrough.

Western diplomats con-firmed yesterday that Nato countries had reached broad agreement on an alliance posi-tion in the talks, demanding deep cuts in Warsaw Pact tanks and artillery. Washington and London have taken some of the tough-

est positions in the Western camp on the price Moscow must pay for an agreement at the East-West conference in Vienna, which is needed before the arms talks can begin. The Soviet leader will

tomorrow address the UN Gen-eral Assembly in New York and later meet President Ronald Reagan, and Presidentelect George Bush. He leaves on Friday for Cuba and then heads to London for takes Mrs Margaret Thatcher, UK ads to London for talks with Prime Minister. Mr Gennady Gerasimov, Soviet Foreign Ministry

spokesman, yesterday denied Mr Gorbachev would counter British criticism of Moscow's human rights record with a systematic attack on Britain's treatment of alleged Irish ter-But he did confirm that

Soviet experts would be available to discuss human rights during Mr Gorbachev's visit. Whatever his stance on British human rights, Mr Gorba-chev is expected to seek credit for two recent Kremlin moves

Moscow has stopped jam-ming US, West German and

Major pharmaceutical

company Warner-Lambert first

established a base in Gwent

18 years ago and has recently

from Eastleigh in Hampshire.

why Warner-Lambert have

confidence in Gwent: "The

transferred manufacturing here

Bill Butler, Director, explains

location is excellent and the M4

and the M50 provide swift links

Industrialised nations cut import curbs on developing countries

THE FIRST important breakthrough in the Montreal trade talks came yesterday when the industrialised nations agreed to abolish or cut import barriers to a large number of tropical products such as coffee, cocoa and rub-

The agreement, which was finalised only a few hours before 90 ministers opened their formal assembly, fulfils the richer nations' pledge to give priority in the Urugusy Round of the General Agreement of Tariffs and Trade (Gatt) to an issue of special importance to developing coun-

However, while the deal removed one obstacle to a successful outcome for the ministers' mid-term review of the four-year trade-liberalising round, it did nothing to resolve the crucial impasse over agriculture between the US and the Economic Community. The US joined the agreement

on tropical products at the last moment but made implementation of its concessions conditional on a "satisfactory outagricultural issue.
The EC, Japan and eight

other industrial nations said they would put the accord into effect if necessary without US

EC officials were particularly pleased with the agreement, which they claimed left the US increasingly isolated.
Mr Richard Lyng, the US Agriculture Secretary, dashed hopes that the US might change its standpoint on agriculture after his arrival.

Mr Willy de Clercq, the EC Commissioner for Trade Affairs, said after meeting Mr
Lyng that he had been "disagreeably surprised" by the
Agriculture Secretary's refusal
to modify the US position in

The Americans are demand-ing that the EC commit itself to the long-term elimination of all trade-distorting supports to farm production and exports. EC ministers in Montreal

opened the way for the deal on tropical products with 11 developing countries by agreeing to cuts in tariffs and the removal of quotas on goods with a total current import value of between Ecu8bn and Ecu9bn (about \$9.5bn and \$10bn) a

In addition to coffee, cocca and rubber, other products covered include tea, spices, tropical woods, fruits and nuts, jute and cut flowers. TOM SON

more than 60 African, Caribbean and Pacific (ACP) coun tries, whose exports to the EC currently enjoy preferences under the Lomé convention (currently under re-negotiation in Brussels), led to modifica-

In another gesture to Third

World participants in the trade talks the EC is dropping its tariff and other barriers to imports from 42 least developed countries (LDCs), 10 of which are not covered by the Lomé convention.

Japan will ease access to its market for about one-third of its imports of tropical prod-ucts. It put the annual value of the imports covered at about

Australia, Austria, Canada, New Zealand, the three Nordic countries and Switzerland have joined the agreement. The developing countries

who will benefit include some of the biggest exporters of trop-ical products – Brazil, Malay-sia, Mexico, the Philippines and Thailand. An innovative aspect is that the deal is genuinely two-way, with the developing countries

opening their markets as well. In many cases they have been "credited" for liberalising measures taken earlier. The agreement will come into effect next year on a provi-sional basis, waiting for a more

end of the Uruguay Round in The US concessions, comprising 25 per cent cuts in tar-iffs on a relatively short list of products, have been placed in an annexe to the agreement. More Montreal reports, Page 6

products to be realised at the

market opening and interna-tionalisation, along with the stimulation of domestic Mr Roh was forced to turn to

By Maggle Ford in Secul

PRESIDENT Roh Tae Woo of

South Korea vesterday sacked

almost his entire Cabinet in a

sweeping reshuffle designed to remove political figures associ-

ated with the regime of Mr Chun Doo Hwan, his disgraced

He appointed 23 new minis-ters, including Mr Kang Young Hoon as Prime Minster. Mr

Kang, who was recently ambassador to the UK, was forced in 1961 to step down from a military post because of

his opposition to the coup d'é-

tat of former President Park

entirely new economic team

which is expected, however, to

pursue the current policies of

The new Cabinet contains an

diplomatic and academic cir-cles in his effort to find politicians untainted by the military excesses of Mr Chun, who is now in internal exile at a Buddhist monastery. The new Cabinet still contains a few hardliners but observers noted that the generals who got jobs were more professionally minded than in the past and often educated abroad.

their behaviour under former President Chun either were still in the Cabinet or the presidential secretariat of advisors. They also criticised Mr Roh's decision to ignore the National Assembly's constitutional right to approve the Prime Minister. who should then himself choose a Cabinet. Continued on Page 26

Key members of the new Korean Cabinet: Prime Minister Kang Young-hoon (left) and Foreign Minister Choi Ho-joong

Roh purges Cabinet

of Chun associates

Opposition parties were scep-tical of the President's sincer-ity, noting that several people who have been criticised for in that sphere.

Israeli broadcasts into the Soviet Union, and it has relaxed security restrictions on a group of would-be émigrés previously refused The Kremlin also recently

dropped its insistence that the West agree to a human rights conference before the concluslon of the European security talks in Vienna, and the start

of conventional arms talks.

Lacklustre market greets first day for British Steel issue

By Philip Coggan in London

BRITISH Steel shares achieved only a modest 2½p premium yesterday, the first day of dealings, as the gloomy London stock market took its toll on the prospects for the UK Government's latest privatisation

The shares reached a high of 63p, compared with the 60p first instalment price, in early trading but quickly slipped back, with some market-makers quoting a bid price of 58%p at one stage. In late trading, the shares recovered to 62%p.

The minimal premium will have been a disappointment to those stags who hoped that the oversubscription of the public offer might lead to instant profits. A small investor, who was allocated 400 shares, would make a loss after dealing costs if he sold while prices remained at the current level. Yesterday's turnover in Steel

was 261m shares, over one eighth of the equity, although

that figure will include the double-counting of deals between market-makers. On the options floor, around 20,500 contracts were traded,

equivalent to some 20m shares. Most of the business was conducted in the first few minutes with 5m shares traded in the first minute and 104m shares traded in the first 10 minutes. Private investors will not be sent their allotment letters until next Monday. When the Steel price was first announced, the Govern-

ment was charged with selling the company "on the cheap" at \$2.5bn (\$4.35bn).

However, ever since the prospectus was issued on November 23, the stock market has been in retreat. In the wake of October's record trade deficit and the subsequent rise in interest

index fell a further 17.7 points at one stage before recovering on the back of a buoyant Wall Street to close 3.4 points lower

at 1.761.6. Despite the uncertain stock market, some applicants appear to have attempted to grab more than their fair share of British Steel shares. Touche Ross, the accountancy firm, said yesterday it was investiga-ting around 2,000 applications for possible fraud.

A search of the application lists, which involves cross-checking names and addresses against suggested multiple applicants in previous privatisations, is continuing. ● Sir Robert Scholey, Brit-

ish Steel's chairman, was yes-terday awarded the title of J O Hambro Businessman of the Lex, Page 26. Steel stags dis-

mayed, London Exchange, Page 41

rates, the FT-SE 100 Index has dropped by 4 per cent in the last fortnight. Yesterday, the

> Defence: Tokyo expects new assault on its lack of a military role Tradet European businessmen show little interest in Gatt talks

> Yugoslavia: Trade and Industry Survey13

Management: Secondment - getting a feel for

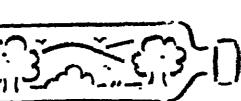
the complete process.

World chemical industry: Why the good times may not last long . Editorial comments The training challenge; a fudged curriculum ...

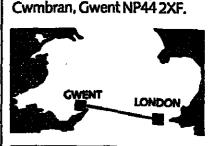
Lext Steel; Mitsubishi; William Collins; share stakes; unbundled stock units. Financial Futures 46 Observer 41-52 49-52 41-47



Gwent has the perfect prescription for Warner-Lambert



with the whole of Britain. "We have found no difficulty in recruiting staff who have demonstrated their ability to learn new skills. In addition we are located close to a beautiful National Park, and the quality of life is second to none. In short, we enjoy being here!" Warner-Lambert is just one of many businesses which have successfully made the Gwent Connection. To find out more, ring the Gwent Industrial Development Team on 0633 838867 for a free and confidential consultancy service. Or write to Gordon Probert, County Planning Officer, Gwent



County Council, County Hall,

BETTER CONNECTED

MARKETS Norway Oslo SE

1989 Dec INTEREST RATES US kunchtime Federal Funds 8월% (8%) 3-mth Treesury Bills: yield: 8.26% (8.308)

DM3.2246 (3.21) FFr11.0135 (10.9725) Y227.01 (225.25) New York functi DM1.7244 (1.722) FFr5.8875 (5.886) SFr1.4432 (1.44275) Y121,41 (121.275) DM1.7245 (1.729) FFr5.89 (5.91) SFr1.4446 (1.45) Bond: 98& Y121.5 (121.4)

STERLING

New York k

\$1,87 (1,886)

\$1.87 (1.8565)

STOCK INDICES New York lune Dow Jones Ind. Av. 2,126.24 (+33.9) S&P Col 275.09 (+3.28) FT-SE 100 1761.6 (-3.4) 138.27 (Fri)

29,614.68 (-50.82) Commerzbank 1589.9 (-1.3) Brent 15-day (Argus) \$14.675 (-17.5cts)

Tokyo Nikkel Ave

CONTENTS Budapest faces deep divide over multi-party system



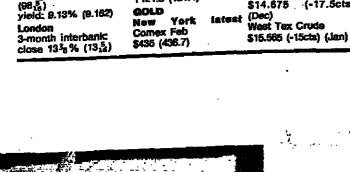
World Trade Britain Companies

leader Karoly Grosz warned opposition groups which "oppose socialism" that they would not be allowed to establish political parties in the future.

Agriculture Arts-Review

Editorial Com Euro-options

World Guide



EUROPEAN NEWS

Protests subside in Azerbaijan region

By John Lloyd in Moscow

OBSERVERS and officials in both Armenia and Azerbaijan reported last night that overt incidents of violence or protest had fallen to their lowest level in the past two weeks of trou-

The atmosphere in both republics, however, remained tense and the numbers of refugees was still increasing.

Lieutenant-General Samsonov, military commander in Armenia, said the curfew, which had been in force from 10pm to 6am, had been reduced, but he did not say to

Since November 24, when it was imposed, the security forces have detained 2,412 people and arrested 32 of those. In Baku, the capital of Azerbaijan, on Sunday troops cleared crowds from the central square which has been used as a meeting ground for the past two

Mr Elsin Bagirov, a Foreign Ministry official, told Reuters news agency that "despite rumours to the contrary, I can state categorically that no-one was killed. But I am not sure about the number of injured."

The refugee problem in republics already short of homes now takes on the aspect

of a major disaster. Estimates of the numbers crossing the border in both directions run at 100,000 Azeris fleeing from Armenia, largely to Baku, and about 70,000 Armenians ileeing from Azerbaijan, largely to Yerevan, the

In Armenia, a special fund established to assist the refuges now totals im roubles (\$1.7m).

The Karabakh committee, the Armenian group which has

kept alive the issue of Nagor-no-Karabakh, the Armenian enclave in Azerbaijan, is now increasingly assuming the role of a popular front of the kind seen in the Baltic states.

It called for an end to strikes in Armenia over the weekend but at the same time rejected the measures taken in Moscow to address the issue.

The Soviet Government has appointed a further commis-sion to investigate the problem and report - without making clear whether it supersedes or works with an already-appointed group, the Voss com-mission, which (as far as is known) has not yet reported.

Mr Mikhail Gorbachev, the Soviet leader, has said that Nagorno-Karabakh will remain under the authority of Azerbaijan, although its Armenian majority presently does not acknowledge Azeri sover-

Gorbachev sees chance to dispel the gloom

By Quentin Peel in Moscow

MR Mikhail Gorbachev, the Soviet leader, sets off today on a hectic international trip designed to maintain the momentum of Soviet foreign policy at a time of gathering gloom on the domestic front

His eight-day tour to New York, Havana and London, organised at short notice in spite of a daunting reform programme in Moscow, seems guaran-teed to keep the Western world guess-ing at the possibility of new initiatives. It will also provide a welcome opportu-nity for Mr Gorbachev to stress his foreign policy successes for his audience back home, battered by images of racial strife in Armenia and Azerbaijan, rising nationalism in the Baltic republics and little sign of economic recovery stimu-lated by his policies of perestroika.

He will make a major speech to the UN General Assembly tomorrow, underlining the Soviet Union's relatively new-found commitment to the use of the international organisation in promoting peaceful settlements to international conflicts. Apart from reiterating his proposal for the elimination of all nuclear weapons by the end of the century, he may well focus on the need for co-ordinated international action on the environment.

Afghanistan seems certain to figure high on the agenda of talks with the UN Secretary-General Mr Javier Perez de Cuellar, as well as with President Rea-gan and President-elect Bush, whom he is scheduled to meet for lunch tomor-row on Governor's Island in New York harbour. The Soviet Union is anxiously searching for ways to secure a dignified withdrawal from Afghanistan by the February 15 deadline set by this year's Geneva peace agreement. It wants Mr Perez de Cuellar to organise another international conferen

Soviet officials held their first high-level talks with Afghan rebel leaders in Saudi Arabia at the weekend and the rebel chiefs reportedly promised to reconsider their previous rejection of the proposal for a conference.

US officials expect Mr Gorbachev to stress the positive rather than the nega-tive in his UN speech, although be may well be tempted to emphasise US isola-tion over its refusal of a visa for Mr. Yassir Arafat, the Palestine Liberation Organisation leader, to address the UN assembly. The Soviet Union appears to be expecting rather more substance from Mr Gorbachev's final meeting with President Reagan than is suggested by senior US officials. Soviet officials say that all four subjects of summit agen-das - disarmament, human rights, regional conflicts and bilateral relations will be covered, mentioning specifi-

cally moves on Afghanistan, Central America and the Middle East. The US describes the event as "clearly not a summit" but "an opportunity to touch base," in the words of one senior official. Mr Gorbachev flies from the bastion of capitalism where he will also have talks with US businessmen on possible further joint ventures - to reassure his major ally in the region.

Cuba, of his continuing strong support. In spite of President Fidel Castro's obvi-ous doubts about perestrolka, Mr Gorb-

achev is going as Cuba's major ally and financial backer, not as a critic.

He has reason to be grateful for Cuba's acceptance of the Angola peace initiative, but he is also likely to stress that the Soviet Union cannot afford to provide indefinite economic support. Cuba will also be the venue to address the major concerns of Latin America, including indebtedness and the war in Nicaragua. The final balance to the trip - covering both the capitalist world and the Socialist, Europe and America

- will come from the Soviet leader's visit to London for talks with Mrs Margaret Thatcher. She is one of his favour-ite interlocutors, despite their differ-ences over nuclear deterrence. The Kremlin also understands her relatively nationalistic attitude towards the Euro pean Community, whose plans for a single market by 1992 are regarded with some trepidation in Moscow.

Paris faces **further** transport disruption

By George Graham in

POURING RAIN yesterday heralded another difficult week for Paris commuters, as striking public transport workers continued to shut down the suburban express rail network and seriously disrupted bus and metro services.

Public transport services continued to be interrupted in Marseille and Toulouse but the Lyon transport strike is now over and postal workers in Clermont-Ferrand agreed yesterday to go back to work.

The week may be trying, too, for the Socialist Government of

Mr Michel Rocard. The rightwing RPR party plans to lay down a censure motion in Parliament this afternoon.

A glimmer of hope for an end to the Paris transport conflict emerged, however, as trade union delegates again met a Government-appointed mediator after three days in which negotiations appeared to have reached a complete standstill. Mr Bernard Brunhes, the mediator, made new pay pro-posals in talks yesterday with four of the more moderate unions. The Communist CGT union was due to meet Mr

Brunhes later in the evening.

The gap between the moderate unions, who claim a FF 300 (\$53) a month increase, and the hardline CGT, which is demanding FFr1,000 a month. has widened in recent days. Mr Jean Kaspar, new sec-retary-general of the CFDT union, has attacked the "irre-sponsible" attitude of the CGT and accused it of playing the Communist party's tune.

4.2

tt. 2 2 2 --

- ea -

· 2 12

ិ ខែងនេះ 💌

- 🛲 📆

State of the con-

21 300

- Sec. 18 € 1

 $\{x_1,\dots,y_n\}$

-

Der J 17 to 17 to

. 2

An opinion poll published last Sunday by Le Journal du Dimanche showed that 29 per cent of those questioned blamed the CGT for the strikes, while 17 per cent blamed the unions in general. The same poll showed that only 16 per cent blamed the Government for the strikes. This will complicate the RPR's censure motion, which already stood little chance of being

Passport for Walesa

Polish authorities gave Mr Lech Walesa, leader of the ban-ned Solidarity union, a pass-port yesterday for the first time in seven years, Reuter It was the first time the

authorities had granted Mr Walesa permission to travel abroad since martial law was

Mr Walesa plans to fly to Paris on Friday.

Kosovo decision

Soviet backing for US presence in Europe

SOVIET officials at a private conference in Bonn have made one of the strongest statements to date about Moscow's support for the US presence within

the "European House". A report in Die Welt newspa per from one of the partici-pants at a Bergedorf Circle meeting, designed for top level private exchanges between

West Germany and the Soviet Union, states that the latter fears a US withdrawal from Europe, believing it would destabilise the area and revive old rivalries.

The report states that the Soviet delegation considered the continuing US role not only possible but necessary. The delegation included a central committee member, Mr Vadim Zagladin, and the Soviet ambassador to West Germany, Mr Yuli Kvitsinky.

The West German group, which included senior officials and politicians like Mr Horst Teltschik and Mr Voelker Ruehe, were reported to be astonished at some of these remarks and at Mr Sagladin's accommodating positions on lefence and disarmament Compromise proposals were also floated on a phased reduction in short-range nuclear missiles in Europe as opposed to the third zero option of sing them out altogether.

The West German Government is currently divided on

Sutherland warning on protectionism

By William Dawkins in Brusseis

EUROPEAN COMMUNITY competition rules must not be used as a protectionist weapo against non-EC companies, Mr Peter Sutherland, the competition Commissioner, warned

"Closing off Europe from competition which comes from abroad also acts as a deterrent to efficiency," he told a semi-nar arranged by the American

Mr Sutherland's remarks came a day after EC govern-ments gave their clearest assurance so far that they would adopt liberal trade policles in the run-up to the 1992 creation of a free single market and that Europe would not "turn in on itself." While the debate about EC

trade policy appears to be resolving itself, the Commu-nity has only begun to address how it will apply competition rules to foreign companies, including its controversial draft merger control regulation, now under consideration by a divided Council of Minis-

Mr Sutherland insisted that there could be no exceptions to EC rules against anti-competi-tive industrial agreements, even when fierce non-Community competition was involved. Any attempt to create a for-tress Europe "would be contra-

"We are not in the business of boosting our own develop-ment through the internal market strategy only to puncture it through a policy of eco-nomic isolationism."

He called on EC trade and industry ministers to adopt his merger control proposal – which has been deadlocked in one form or another for 16 years - at their final meeting this year on December 21, and thus complete a badly needed framework for acquisitive companies to conduct crossfrontier takeovers in the barri-

er-free market. We hope . . . finally to lay to rest a debate which has taken far too long," said Mr

THE Communist Party in

Yugoslavia's troubled Kosovo province decided yesterday against reinstatement of two ousted ethnic Albanian leaders who were blamed by Belgrade for being soft on separatists, Reuter reports from Belgrade. The removal of the two last month triggered a wave of pro-tests by ethnic Albanians in the provincial capital Pristina.

Belgrade expels three **Australian diplomats**

YUGOSLAVIA yesterday expelled three Australian dip-lomats in retaliation for the closure of the Yugoslav consul-ate in Sydney and expulsion of its staff, Belgrade radio said, Reuter reports from Belgrade. It said Assistant Foreign Minister Drago Mirosic handed a note to Mr Peter Shannon, the Australian charge d'af-faires in Belgrade, declaring three officials of the Australian embassy in Belgrade personae non gratis.

They were ordered to leave Yugoslavia within seven days, the radio said. The move was announced less than four hours after the

staff of the closed Yugoslav consulate in Sydney arrived back in Belgrade. The note said Yugoslavia made the move to protect its

"interests and dignity."

Australia closed the mission after Yugoslavia refused to hand over a consulate guard who shot and wounded a 16year-old Croatian emigre dur-ing a demonstration.

Danish former bank chief imprisoned The former chief executive of

Kronenbank, a Danish commercial bank which collapsed in 1984, has been sentenced to three years in jail, writes Hilary Barnes in Copenhagen. Mr W. B. Hansen was found guilty of "breach of trust" charges covering DKr600m (£50m), the value of loans given without security and in contravention of bank lending regulations.

Kronebank was absorbed by another bank after its operations were suspended and in the end neither depositors

Yugoslavia said the guard was shooting in the air when demonstrators tried to invade the consulate grounds.

The note said the Australian Government's decision to close the Sydney consulate was totally groundle Mr Budimir Loncar, the

Yugoslav Foreign Minister gave warning last week that Yugoslavia would retaliate Yugoslavia would retaliate with "appropriate measures." Relations between Yugo-slavia and Australia, generally

friendly, have been aggravated occasionally by the activities of Yugoslav emigrants in Austra-

Western diplomats in Bel-grade said Yugoslavia had carefully pondered its move to take into account the interests of about 300,000 Yugoslavs in Australia, most of whom were friendly to their country of ori-

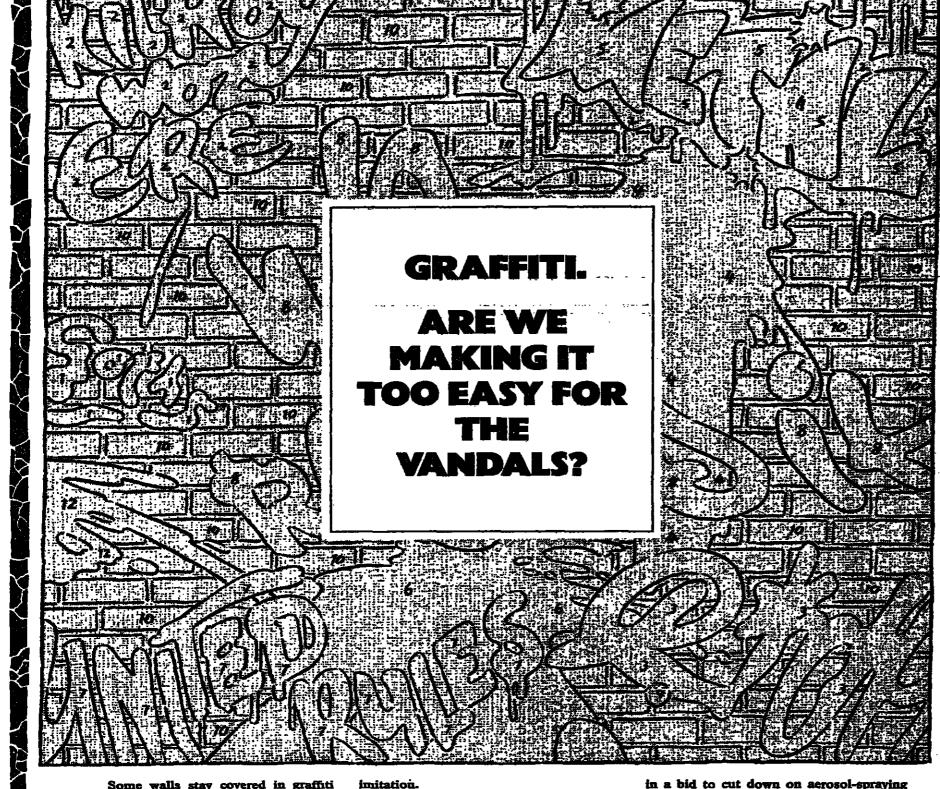
They said the decision was obviously reached after consul-tations with Mr Stanojlo Glisic, the expelled consul.

FINANCIAL TIMES

Published by the Financial Times (Europe) Ltd., Frankfurt Branch, represented by E.Hugo, Frankfurt/Mais, and, as members of the Board of Directors, F. Barlow, R.A.F. McClean, G.T.S. Damer, M.C. Gorman, D.P.P. Palmer, Loudon, Printer: Frankfurter Societaets-Druoterei-GmbH, Frankfurt/Mein Responsible either G.D. Over

FINANCIAL TIMES, USPS No 19640, published daily except Sundays and holidays. US subscription rates \$365.00 per annum. Second-class postage and at New York NY and at additional mailing offices. POSTMASTER,

Ostergade DENMARK



Some walls stay covered in graffiti not because United rules, but because apathy

The same goes for other forms of vandalism, and for littering. Like graffiti, they are among the most prevalent and offensive symptoms of crime.

Of course, when vandals or graffitists are caught in the act they can be dealt with by the law. And there are other ways theycan be actively discouraged.

By removing graffiti quickly.

The fact is that graffiti attracts more of the same. Removing it quickly denies the perpetrators the satisfaction of seeing it on display, and reduces the incentive for

By continuing to clean it off.

work can wear them down.

Vandals and graffitists can be persistent. But equally persistent removal of their handi-

By involving youngsters in creative.

One town suffering from the graffiti problem set up a competition amongst local youngsters to design a mural for a wall that had been covered in graffiti. A local company provided painting materials. The graffiti virtually vanished.

By working together.

Some local authorities have set up anti-graffiti teams who liaise with schools in a bid to cut down on aerosol-spraying

By taking positive measures like these, more youngsters can be encouraged to respect, and not rubbish, their communities.

To find out more, send for the Crime Prevention Handbook. If Kilroy was here, we're sure he'd agree with us.

eme
dérese
netcode
lrimi



ris faces , unsport auption

DECEMBER 6 1988

MC RAN Veterly and another distributed another distributed and another distributed and another distributed and another distributed another distributed another distributed another distributed another distributed and another distributed the transport sering A to the price is along to some beautiful second of

med to be interested that the state of the interested to the inter a these may be write in the second many to the seco RPS Party Dans to b 4 Courses Transport the time of the con-Spiritures of true party a the Pare manager a si Chiefares asa Constitution of The secretary of the second LESCHOOL S COMPANY Mr Berteri Brita THE THE PERSON OF THE PERSON O of the more myen The Comment

37 #425 due 10 men 6 allow later in the stemp as gar between the me stations, who claims street a month increase and anding Firt mi a ma Belles in the rail of MA Bereier of the Coo one has attacked the a active of the accused a distant BERTHALL MAIN (1997) sa equal a poli prime Sunday to Le Journe *** TECHE : 22: 35 of the Con fire there were the Con fire the معا و محمد منا العدد A SETTLE THE PROPERTY OF 18 18 78 W. Land Arrent in the state is all tempente min MANY TO ALL BELLE

assport for Wales BANK SLUSS ATRES d Seederly with an off yealorder for the h State Security of a second security of the second security of the second See The second second The Transport of the Party 新prop party (2015)

losovo decision PROPERTY OF TRUSTED FIRST ELECTION OF A LAND AND A PARTY OF THE PARTY

els three plomats

Torre

sparks safety row in W Germany

THE REVELATION that an incident occurred a year ago in a West German nuclear power station which could conceivably have led to a core meltdown has stimulated a serious public row about safety and secrecy in the German indus-

try.

The US-based nuclear industry publication Nucleonics Week reported that the US safety authorities were study-ing the accident at the pressurised water reactor at Biblis, near Frankfurt, which led to a small release of radioactivity, but which, some experts believe, could have become far

The incident, which involved the failure to close a valve properly when the station was restarted after a temporary shutdown, was never made

But soon after it occurred the West German reactor safety organisation began an investigation which concluded that if several other failures had occurred a melt-down

The organisation added that such a chain of events was "highly improbable". But the study did result in alterations at all West German PWR's and start-up procedures were

The West German safety authorities then placed infor-mation on the event into the OECD nuclear energy agency's incident reporting system but marked it secret.

According to Nucleonics Week. US experts are divided on the seriousness of the incident but one was reported as saying that it would have been regarded as a "top level" safety event in the US.

Mr Klans Toepfer, the West German Environment Minister, told a news conference yester-day that there was no danger of a massive release of radioactivity and that the company. RWE, and the nuclear authorities had been quite justified in keeping the incident secret. He added that if it had been made public it would have caused

Far right pours cash into European poll

By David Marsh in Bonn

WEST GERMANY'S leading ultra-right party, the Deutsche Volksunion (DVU), plans to fighting next summer's Euro-

pean Parliament elections. This is easily the largest sum spent on a polling campaign by the country's extreme right and underlines how political radicals in West Germany are trying to occupy the vacuum left by the death two months ago of Mr Franz Josef Strauss, the right wing Prime Minister

Mr Martin Mussgnug, chair-man of West Germany's neo-Nazi National Democratic Party (NPD), which is supporting the DVII in next year's elections, said the parties tegether hoped to cross the 5 per cent hurdle which would allow representation in the Rurmean Parliament. He admitted that they were concentrating their efforts on

the Etropean election because the relatively low turnout increased the chances of cross-ing the 5 per cent barrier. With success behind us, we will launch a chain reaction leading to the federal (German) elections a year and a half later," he said in an interview et the NPD's

The DM12m figure surprised officials of the main political parties in Bonn. The Social Democrats (SPD) aim to spend DM32m on the campaign, while the Christian Democratic Union (CDU) will commit around DM30m. One CDU official said yesterday the far-right funding was "a lot", adding travely: "They still will not be elected."

The funding, which has been organised by the DVU's founder and chairman, Dr Gerhard Frey, a Munich publisher, compares with only DM750,000 committed by the NPD to the last general election in January 1987, said Mr Mussgmg. DM5m would be spent before the European election on June 18 in sending campaign litera-

ture to every voter in the country, with further amounts going on posters and television

Opinion polls and increased attendance at party meetings suggest that the far right is

suggest that the tar right is picking up support on the fringes of politics.

Even though popularity is measured in only a few percentage points of the vote, it is important enough in West Germany's proportional electoral system to be causing worry at the established conservative parties, the CDU and Mr Strauss's Bavarian Christian

Social Union. New interest in the far right has been clearly increased by the death of Mr Strauss. His charisma persuaded some extreme right-wing sympathisers to support the mainstream conservative parties. Discontant over issues like law and office and inflows of foreigners is emising such voters to consider transferring their alle-

Regarding controversy over refugees in West Germany, Mr Franz Schoenhuber, leader of another far-right West German party, the Munich-based Republicans, said: "The anger of the people has reached such a pitch that we could have real hatred of foreigners. People want bread and security. With all these foreigners, we are importing civil war."

According to Mr Mussgnus continual reflection in West Germany about the Nazi past - such as the recent commemoration of the 50th anniversary of the anti-Jewish pogroms of November 1938 — is leading to

"The number of anniversaries in Germany is overdone. Next year we will have the 50th anniversary of the start of the Second World War, the 75th anniversary of 1914, and the 100th birthday of Hitlar. This is a permanent occasion - all this looking at the sins of our past leads to defiance."

»HAPPY DIAMONDS®

Chopard

A unique concept becomes a classic.

EUROPEAN NEWS

N-plant incident Budapest faces deep divide over multi-party system

Leslie Colitt reports that the one-party state is likely to remain while Government and Politburo stay linked

Mr Grosz's choice last month

as Prime Minister deeply disap-

pointed the reformist wing of

the central committee, where

A potentially serious split has developed in the Hungarian leadership over the prospects for a multi-party system in the Communist state

Mr Karoly Grosz, the party leader, warned this week that opposition groups which oppose Socialism" would not be allowed to establish political parties in the future. The party appears to favour an eventual coalition with the Hungarian Democratic Forum, a group of moderate intellectuals, which has raised fears of a new power-sharing arrangement excluding most Hungarians.

Mr Grosz's tough remarks contrasted sharply with the views of Mr Imre Pozsgay, eading reformer in the ruling Polithuro. Mr Pozsgay said last month that genuine political parties would have to be formed "from below" even if it meant a struggle with the Communist Party.

The two politicians — Mr Grosz, a pragmatic conserva-tive, and Mr Poszgay, a liberal Euro-Communist — formed a political alliance which last May ousted Mr Janos Kadar, the party leader. He was blamed for alienating the masses and steering Hungary to the brink of benkruptcy.
Party officials in Budapest said Mr Pozsgay would find it increasingly difficult to gain support in the Politburo for his radical reformist views.

Characteristics of the politocompany between

Sharp differences between the two men also emerged over Mr Grosz's claim that the Government enjoyed a wide degree of independence from the party. Pressed by a Hungarian reporter to comment on the fact that Mr Miklos Nemeth, the newly chosen prime minis ter, is also a member of the Polithuro, Mr Pozsgay agreed that in future party and gov-ernment posts would have to

More bombs

By Andriana lerodiaconou

A WAVE of terrorist bombs,

the second to hit the Greek capital in four days, went off in

Athens early yesterday.
Of the four bombs, two were

targeted against cars owned by opposition. Conservative depu-

ties, and a third against a local

Conservative party headquar-ters in the northern suburt of Ellinorosson. A fourth bomb

struck the local headquarters

of the ruling Socialist party (Pasok) in the same area.

The attacks, for which

responsibility was claimed by a

group called "Social Resis-tance", caused material dam-

Three bombs, all directed at **European Community-related**

targets, exploded in the Greek

capital in the early hours of Friday, hours before the start of the EC summit on Rhodes.

Responsibility for those attacks was claimed by the "Revolutionary Popular Struggle", a shadowy terrorist

organisation with a record of bombing going back to the

• Mrs Margaret Papan-dreou, wife of the Greek Prime

Minister, said yesterday she was ready to discuss divorce with her husband. "I have asked him to do so long ago," she said.

There were no injurie

rto · r

age only.

1970s.

explode

in Athens

in Athens

not parliament, and government ministers were responsible to bureaucratic lobbies rather than the Prime Minister, the Government's programme had little chance of being carried out.

he had served as secretary for "The realisation of policies the economy. in the one-party system is ter-rible and there is no learning Mr Nemeth was given the task of carrying out economic and political reform proprocess," he noted. grammes which many Hungar-Mr Grosz earlier this year

Pressed by a Hungarian reporter to comment on the fact that Mr Miklos Nemeth, the newly-chosen prime minister, is also a member of the Politburo, Mr Pozsgay agreed that in future party and government posts would have to be

ians regard with scepticism.

"People have little trust in the Government's economic programme and with good reason," a senior Hungarian eco-nomics official admitted. "In the past the Government always promised less inflation and more economic restructuring, but the opposite hap-

He added candidly that as long as the Prime Minister was

compared Hungary's dire eco-nomic situation with that of Britain 10 years ago. But there is a decisive difference: the British Prime Minister was able to carry out radical and often unpopular reforms based on a majority in a freely

of the party despite.

The party leadership is painfully aware of its lack of legitiresponsible to the party and macy, but a majority in the

elected parliament. Parliament

in Budapest remains a creature

Politburo is afraid to move too quickly on political and eco-

"The leadership is still afraid of a repeat of 1956 if the economic situation deteriorates,' noted Mr Geza Jeszensky, a historian and founding member of the Hungarian Democratic Forum.

Fear of a 1956-style uprising could cause the party to apply the brakes on the economic reforms at the first sign of unrest over rising inflation and unemployment.

Senior officials in Budapes leave little doubt that the failure of the economic reforms would spell the end of Mr Nemeth's political career.

"My personal ambitions were a minor issue in accepting this post," the 40-year-old Mr Nemeth conceded after his selection last month. The central committee's first choice. Mr Rezsō Nyers, the architect of Hungary's economic reforms in 1968, declined to take on one of the riskiest jobs in eastern Europe. Instead he accepted the post of Minister of State for the Economy, in effect an

adviser to Mr Nemeth. Hungarian officials note that the new prime minister's stat-



At odds over political future: Karoly Grosz (left), pragmatic ervative, and Imre Pozsgay, liberal Euro-Communis

ure suffered from the start from the fact that he faithfully served the disastrous economic policy of the previous leader-

Mr Nemeth was first deputy head and later head of the central committee's influential economic department under the now disgraced prime minis-ter, Mr György Lazar. As head of the Government, Mr Lazar loyally carried out the party's previous policy of incurring heavy foreign debts without attempting to restructure industry.
Mr Nemeth, however,

assumes responsibility for slashing subsidies to loss-mak-

ing companies, curbing inflation as well as the current account deficit, while at the same time liberalising imports goals which are regarded by most Hungarian economists as being mutually exclusive.

Caught up in this apparent contradiction, the Government has assured the population that it wants to reduce infla-tion next year while at the Western creditors that priority will be given to cutting subsidies - which will lead to

higher prices. Mr Janos Hoos, chairman o the planning commission, last week publicly forecast 12 per cent to 15 per cent inflation next year compared with 17.8 per cent at present. Meanwhile Mr Nemeth reminded Western correspondents that curbing subsidies to unprofitable com-panies meant higher inflation.

"I never said there would be lower inflation next year," he insisted. The Government would start to concentrate on an anti-inflation policy "two years from now," he said. "I am afraid that whatever the Government does the

majority will say it is stepping back," Mr György Marosan, the government spokesman, predicted last month.

Honecker signals his intention to stay on

By Leslie Colltt in Berlin

MR ERICH HONECKER, the orthodox 76-year-old East German leader, has clearly indicated that he intends to continue in his post at least until the next party congress in May 1990.

Differences between Mr Honecker and the reform-minded leadership in the Soviet Union had heightened speculation that he might decide to step down earlier nunist party chief.

East German newspapers last weekend published the schedule of the party con-

gress which provided for an address by Mr Honecker to his central committee. The East German leader told a meeting of the central committee late last wee that it was an "libusion" to believe that a wedge could be driven between the Soviet Union and Rast Germany.

He attacked "wild phillistines" who were trying to rewrite Soviet history in a

"bourgeois manner". East Germany only recently banned the Soviet publication Sputnik which had car-

Soviet films dealing with the Stalin era.

Mr Honecker said East Germany would adhere to the central planning system which he claimed had given it a higher standard of living than in West Germany.

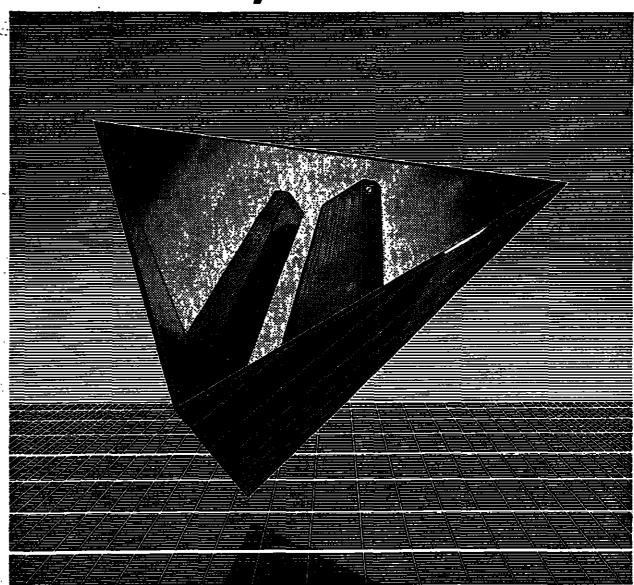
Rowever, he acknowledged that short-ages of consumer coads had developed in

ages of consumer goods had developed in the country, which had made it necessary to make unplanned imports from the

ried several articles condemning Stalin

and the Stalin-Hitler pact and banned

Commercial and investment banking in one organization? In Germany we have a name for it.



You may know us as one of Germany's leading commercial banks. But did you know that we are one of Germany's leading investment banks? This unique combination is called "universal banking" and it's been our business for over 100 years.

As a commercial bank, we finance more than 20% of Germany's foreign trade and. arrange project financings worth billions.

As an investment bank, we supply the full range of investment banking services, corporate stock and bond underwriting in particular. Last year alone we leadmanaged eurobond issues for a total of US \$ 8.4 billion. At Deutsche Bank you will find experienced people skilled in universal banking. You can rely on their ingenuity to identify the most efficient way to meet your financial requirements.

For universal banking - the unique combination of commercial and investment banking services - consider using the skills and experience of one of the world's leading banking groups.

Contact the Deutsche Bank Group office nearest you.

Deutsche Bank

Since 1860, craftsmanship in the vintage Swiss tradition. Chopard, Genève are proud to present their "Happy Diamonds" and other collections of Jewelled, Classic and Sports watches featuring unique models, at -The World's Premier Watch Specialists 16 New Bond Street, London, W1Y 9PF. Tel: 01-493 5916. Catalogue available on request.

Deutsche Bank AG Head Office Taunusanlage 12 6000 Frankfurt am Main 1 Tel.: (69) 7150-0

Deutsche Bank AG London Branch Bishopsgate London EC2P2AT Tel.: (1) 2834600

Deutsche Bank Capital Markets Limited 150, Leadenhall Street London EC3V4RJ Tel.: (1) 2830933

Deutsche Bank (Suisse) S.A. Place des Bergues 3 1201 Genève Tel.: (22) 39 01 11

By Andrew Whitiey in Jerusalem

PRESIDENT Chaim Herzog in Israel yesterday gave Mr Yitzhak Shamir, the Likud leader would give him 65 seats in the Israel yesterday gave Mr Yit-zhak Shamir, the Likud leader and caretaker Prime Minister, a further three weeks in which to form a new coalition govern-

The Irish-born president, whose political functions are strictly limited, took the opportunity to repeat an earlier appeal to both major parties - Likud and Labour - to reconcile their differences and to form a broad-based, national unity government.

Acknowledging the unusual nature of this intervention in the coalition-forming process, Mr Herzog said his conscience obliged him to press for a government which could bring stability to the country. He also pleaded with Israel's parties to reform the electoral system

But, after the fiasco of his last attempt to build bridges to Labour, Mr Shamir appears determined to press ahead with negotiations for a narrow coalition made up of the Likud, three small, extreme right

120-seat Knesset. Although he had not abandoned the idea of bringing Labour into the government, the prime minister-designate said this could take some time, maybe a month, maybe a year". For the moment, he was confident of being able within the next few days to reconstruct his original political

combination.

Sizeable sections of both
Labour and Likud were volubly unhappy yesterday about
the latest twist of events. Within Labour's warring politi-cal camps, headed respectively by Mr Shimon Peres and Mr Yitzhak Rabin, mutual recriminations are flying over last week's abortive attempt to forge a "blocking majority" with an ultra-Orthodox party, Agudat Yisrael. While both declared themselves reconciled to going into opposition, they left the door open to another approach from Mr Shamir.

Ishaq Khan seeks presidency

MR GHULAM ISHAQ KHAN, Pakistan's acting head of state, yesterday became the first candidate for a December 12 election to a five-year term as president, Reuter writes from

The successor to late President Mohammad Zia ul-Haq will be chosen by an electoral college of national and provincial legislators.

Mr Ishaq Khan, 73, took over as acting president in August on Gen Zia's death in an air crash. He was considered likely to be elected easily by the college unless the Pakistan People's Party of Ms Benazir Bhutto, the new Prime Minis-

ter, puts up its own candidate. Ms Bhutto, 35, went out of her way in her first address as prime minister last Friday to praise Mr Ishaq Khan's role in helping return Pakistan to elected government after Gen Zia's 11-year military rule.

Arafat to meet group of US Jews

MR Yassir Arafat, the chairman of the Palestine Liberation Organisation who is seeking to project a more mod-erate image, will meet a group of influential American Jews in Stockholm today, the Swed-ish Foreign Ministry said, Reu-

Mr Inguar Carlsson, the Prime Minister, said later in Paris that he was leaving a meeting there of the Socialist International early to welcome Mr Arafat.
"If a dialogue can be started

between the two parties it would be a major break-

would be a major break-through," he said.
The Foreign Ministry said the meeting would take place at the initiative of Mr Sten Andersson, Foreign Minister, who had invited Mr Arafat and the US delegation.
The names of the US representatives were not revealed

but the ministry said they were well-known personalities. "The meeting is part of Sweden's efforts to seek to contribute to the peace process in the Middle East. It has been planned for quite some time," said the ministry.

Mr Arafat was also scheduled to lay a wreath at the grave of Sweden's late Prime minister Mr Olof Palme, assas-

sinated in 1986. "But it is not Sweden's government and the PLO who are meeting. This is purely a meet-ing between Jewish represen-tatives and the PLO," the min-

IMF tried by pace of Cairo reform

Tony Walker on a report about Egypt's debt-burdened economy

E GYPT WILL require greatly increased for-sign aid and conces-sional financing if it is to meet obligations on its \$43bn external debt through the 1990s, the International Monetary Fund has forecast in its latest report on the Egyptian economy.

The Fund warns that "even

if Egypt sustains a strong adjustment programme well into the medium term, debt service obligations are of such magnitude that the external position cannot become viable without greatly increased con-cessionality in external financ-ing and/or sharply stepped up foreign aid levels on conces-sional terms".

The IMF report, which reviews the Fund's recent tron-bled relationship with Egypt, reveals a barely concealed exasperation at stuttering progress towards economic reform. Its tone suggests that a huge gap still exists between the IMF's proposed reforms and Egypt's willingness to

comply. The IMF and Egypt have been locked in desultory nego-tiations for the past year since the collapse in June, 1987 of a reform programme, agreed just one month before. The May, 1987 SDR 250m (£185m) IMF standby agreement facilitated a Paris Club rescheduling of about \$8bn of arrears and pay-ments due on Egypt's official debt between January, 1987 and June, 1988. The Fund reported that Egypt drew down SDR 116m, before the "arrange-

ment became inoperative"
because of the "accumulation
of new external debt arrears,
the contracting of short and
medium-term external debt and the intensification of exchange restrictions".

The IMF forecasts that even with a rigorously applied reform programme, including substantial reductions in the budget deficit, sharp increases in energy prices and a further liberalisation of the pricing system, Egypt will be hard-pressed to limit its balance of payments deficit to an average of \$3.2bn between 1988/99 and

Egypt, with reserves at \$1.5bn (sufficient to cover nine weeks of imports) at the end of financial year last June, has suspended virtually all debt repayments except for meeting its interest obligations to the 17 countries who were party to last year's Paris Club rescheduling. Officials are telling creditors that Egypt has stopped servicing debts pending a fresh IMF agreement which would open the way for a second Paris Club rescheduling of official debt

cial debt. The Fund predicts that in the next four years debt rescheduling should enable Egypt to reduce its annual external financing gap from the present \$3.5bn to \$2bn, but that the expiry of grace periods on deferred debt payments by the early 1990s will bring strong renewed pressures. strong renewed pressures.
In the meantime, the IMF is

urging Egypt not to delay fur-

ther the implementation of reforms. "Delaying adjust-ments might very well be more costly subsequently in economic and social terms as it could necessitate even stronger, and less socially acceptable actions," the report states. Among measures that the IMF is pressing Egypt to adopt

 Decisive action to reduce the budget deficit through "quick-yielding" revenue measures such as energy price rises and a comprehensive overhaul of the tax system, including the introduction of a general sales tax. • The sharp curtailment of

subsidies to public sector enterprises by "allowing full nricing autonomy to virtually all public companies".

The introduction of "internationally competitive, positive real interest rates", accompanied by credit restrictions.

The full unification of variance of the full unification of variance of the full unification of the full u ous rates of exchange and trade liberalisation "in order to

achieve the needed substantial

growth in Egypt's non-oil exports and import-competing

The IMF commended some of the measures adopted by Egypt recently such as reforms of the agricultural pricing system which had encouraged increased production, but it warned that favorable developments were being more than offset by "sliveness in police." offset by "slippages in policy implementation". Egypt also had to contend with "adverse

These included the renewed weakening of world petroleum prices as well as a much lower than expected level of gross capital inflows. "New money, which was anticipated (in

which was anticipated (in 1987-88) at \$700m to close the external financing gap, did not materialise, while there was also a \$300m shortfall in suppliers' credits," the IMF reported. The IMF was especially critical of the 25 per cent increase in 1987-88 in the government wages bill without offsetting revenue raising measures. This had added substantially to had added substantially to pressures on the budget delicit which exceeded 17 per cent of GDP compared with an agreed target in the May, 1987 pro-gramme of 13 per cent of GDP.

The IMF document empha-sised fundamental policy differences with Egypt over the pace of reform. Egypt, which is struggling to cope with a wor-rying bout of inflation of 25-30 per cent, has asked the IMF to agree to more gradual reforms to avoid public unrest over price rises

The IMF warns on the other hand that in the absence of a substantial increase in donor assistance – and there is no sign of this materialis-ing – Egypt has little choice but to institute a more rigorous policy of reforms. ". . . a more gradual adjustment approach would ultimately be more costly and disruptive due to intensification of cost/price distortions and further weakening of the balance of ayments and growth," it says.

Manila to receive Japanese farm aid

THE Philippines will receive up to Y3.15bn (£14m) in grant aid from Japan for agricultural development projects for fiscal 1988, the Japanese Foreign Ministry cold perfectly AP.D. Ministry said vesterday, AP-DJ reports from Tokyo. The assistance is part of

expanding support for the gov-ernment of President Corazon Aquino. Grant ald in other categories was made earlier this

year.
The Foreign Ministry said last week that in conventional loan support Japan had decided to increase its loans to the Philippines by slightly over 10 per cent to Y88.5bn in fiscal

1989.
The latest lending compares with a total of Y80.2bn in 1987. The money will be channelled through Japan's Overseas Economic Co-operation Fund.

Bangladesh cyclone toll put at 2,000

BANGLADESH struggled yes-terday to bury at least 2,000 people killed in the cyclone which struck on November 29 and launched relief efforts for survivors, Reuter reports from

About 45,000 volunteers and servicemen handed out food to the survivors of the cyclone on November 29. Officials said some teams sent to bury the dead abandoned the work because of the stench from human and animal corpses.

Latest official figures put the number of confirmed dead at 2,000. At least 15,000 people were still missing.

Estimate raised of NZ gas reserves

NEW ZEALAND'S big onshore natural gas field, Kapuni, contains much greater reserves of gas than previously estimated according to reports, Dai Hayward reports from Wel-

lington.
The company which operates the field, Shell, BP and Todd Oil Services, is to start a NZ\$16m (£5.7m) three-dimensional survey to gain a clearer picture of the field's layout. Kapuni has operated for 19 years and had 14 wells drilled.

| Unpaid Nigerian railmen strike

A STRIKE by Nigerian railway workers over unpaid wages entered its second week on Monday, leaving train services

workers, who have not been paid since August, won the support of the association representing senior staff in gov-

ernment-run concerns, The association told the National Concord newspaper it had given the Government a 21-day ultimatum threatening a nationwide work stoppage if it did "not act to reverse the decline of the Nigerian Rail-

made a grant of Naira 24m (£2.47m) to the corporation, which had asked for Naira 77m to cover the unpaid salaries. The corporation offered

paralysed nationwide, Reuter writes from Lagos. At the weekend the rail

way Corporation".

to use the grant to pay Sep-tember and October salaries.

Pretoria ponders Angola options

By Anthony Robinson in Johannesburg

SOUTH Africa's State Security Council gathered in Cape Town yesterday to assess prospects for a further round of Angolan peace talks. The meeting followed the South African delegation's weekend walk-out from the Angolan peace talks in Brazzaville and Cuban threats to continue the war for

another 10 years.
On the agenda at the meeting of senior cabinet ministers Last week the Government and security chiefs chaired by President P.W. Botha was a review of the talks thus far. proposed measures to verify and monitor Cuban troop with-drawals and the broader politi-

cal implications of an eventual Angolan peace deal linked to Namibian independence. The South African decision

to leave Brazzaville without signing a formal protocol ratifying the troop withdrawal agreement reached in Geneva last month is reported to have angered the US mediating team led by Mr Chester Crocker which has spent the last six months helping Angola, Cuba and South Africa narrow differences on the tim-ing and manner of the withdrawal of 50,000 Cuban troops from Angola.
The Americans believe that

withdrawal can be effectively monitored by satellite and other means. But Pretoria fears a Cuban troop pullout which stopped or even reversed itself once Namibia achieved independence half way through the withdrawal period. Hence its insistence on a water-tight monitoring format and the creation of a satisfactory body to investigate any alleged viola-

• Mr Charles Bester, an 18year-old conscientious objector, was jailed for six years by a Johannesburg court yesterday for refusing to serve in South Africa's "racist" army.

Zairean move puzzles Belgium

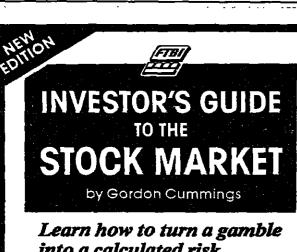
THE BELGIAN Government President Mobutu's behest. was yesterday awaiting official confirmation of Zaire's surprise order to all its citizens to pull their money out of Bel-gium and abandon their studies there by the end of this

month. Some 15,000 Zaireans currently live in Belgium, many of them long-term residents owning property and businesses. For them all to realise their assets within the next three weeks appears next to imposs ble, while many of the 3,000-4,000 who are students were yesterday expressing, in local radio interviews, their unwill-ingness to drop their studies at

The latest row, described yesterday by one Belgian expert on Zaire as "political cinema," started with last month's visit by Mr Wilfried Martens, the Prime Minister of Belgium, to his country's former colony.

He offered to write off one

fifth of Zaire's BFrs5bn (£75m) debt to Belgium, and said he would consider debt relief on BFrs17bn worth of Zairean commercial underwritten by the Belgian Ducroire national insurance office, in the context of wider Western efforts to reschedule sub-Saharan Africa's



into a calculated risk.

Written for everyone who knows that they ought to look after their savings more seriously, the new and extensively revised fifth edition of Investor's Guide to the Stock Market cuts through all the jargon. It gives a down-to-earth explanation of how the market works and how to use it for your own benefit.

Whether you are new to the D.I.Y. investment scene or are already managing your own portfolio, Investor's Guide to the Stock Market makes essential reading. It will provide you with all the background information you must have to make the best possible use of your capital.

Contents include details of the new capital gains tax rules with working examples PLUS • Stocks and Share; • Dealing • Buying and Selling • Options • Important paper work • Gilts • Debenture and Loan-Stock Priorities • Getting the preference • Sharing the Equity • Portfolio creation and management • Takeovers and mergers • Specialised markets • Natural resources • Investment and Unit Trusts • Taxes • Foreign Investment • Avoiding misfortune • Investor's Glossary.

To help yourself and those who depend on you, simply complete and return the attached Order Form.

Please of The Mai 7th Floo Tel: 01-7	revens: (Mail order address only) riceting Dept., FT Business Informatio N., 50-64 Broadway, London SW1H 6D 99 2002. Telex: 927282. Le payment must accompany order. Prices included and use?	B.	799	2002
Office use	Title	Qty	UK price	Overseas price
4637 0213	lavestor's Guide to the Stock Market ISBN 1853340162		59.50	£12.00 US\$17.00
I wish to (mark de Card No Card Ex order	piry Date ish to order 5 or more copies. Please so r discounts or telephone: CAPITALS PLEASE)	Ī		
Postcode	Country_			

Please allow 28 days for delivery. Refunds are given on books returned in perfect condition and within 7 days of receipt.

COMPANY NOTICES



US\$ 250,000,000

New Zealand

Floating Rate Notes Due 1996

In accordance with the terms and conditions of the Notes, notice is hereby given that for the interest period from December 6, 1988 to June 6, 1989 the Notes will carry an interest rate of 9 ½ % p.s.

The interest payable on the relevant interest payment date, June 6, 1989 against coupon no 6 will be US\$ 467.64 per US\$ 10,000 nominal and US\$ 4,676.39 per US\$ 100,000 nominal.



The Reference Agent **KREDIETBANK** S.A. LUXEMBOURGEOISE

NOTICE OF MEETING TE ASSURANCE SOCIETY

CLUBS

EVE has outlived the others because of a policy on fair play and value for money. Supper from 10-3.30 am. Disco and top musicians, glamorous hos exciting floorshows. 189, Regent St., 01-734 0557.

AUCTIONS

MAJOR SKI RÉSORT 25 Minutes West of Denver, Colorado Denver Metroplex Area 11 A.M. TÜESDAY **DECEMBER 13** 240 Acres • Zoning in Place GUARANTEED FINANCING CALL FOR COLOR BROCHURE

INDIA

The Financial Times proposes to publish this survey on:

20th December 1988

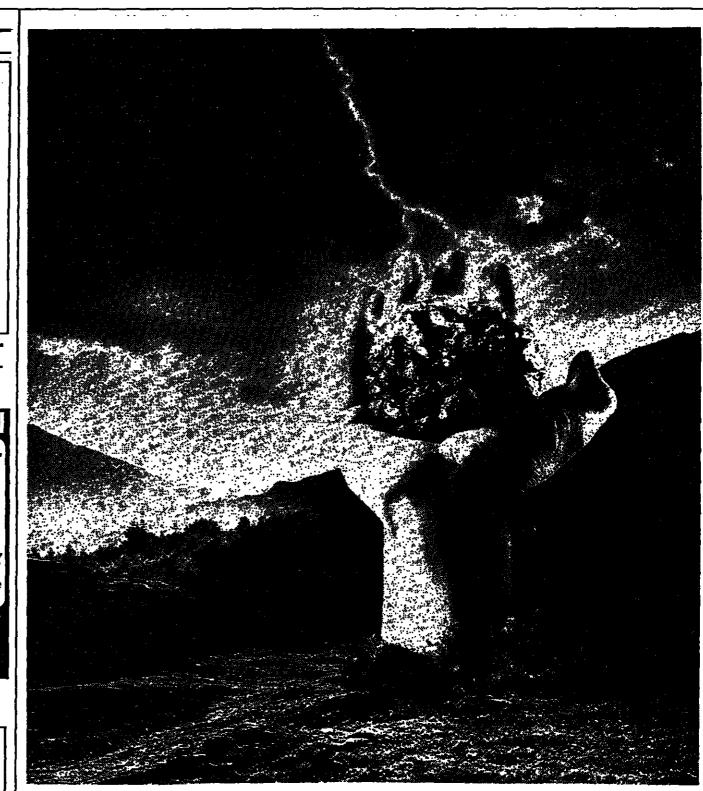
For a full editorial synonsis and advertisement details, please contact

Hugh Setton on 01-248 8000 ext 3238

or write to him at: Bracken House 10 Cannon Street

> London EC4P 4BY

FINANCIAL TIMES



British Coal congratulate Senior Engineering on their acquisition of Foster Wheeler and look forward to continuing co-operation in the development of new coal-burning technology.

THE NEW FACE OF BRITISH COAL

added tax by 1990

ila to

And the state of t Japanese Foreign Section to the St. a President Coraca Hant sid it other ct.

seign Ministry Sale that in convenient Port dapan had a principal to the state of t AF TO ARE THE RESIDENCE OF ret of Ascinta cartiers Topication Find

adesh cyclone at at 2,000 ADESH STREET IS APTERN STREET PER 19 DELL'AND LES CYCLORE LES CHARLES AND THE CYCLORE LES CYCLORE LES CHARLES LES CHAR Runck to Montage & What will the same of 28' Beares selone par

L. C. volunteers and men handed out food o Andrews of the chapters ber 20 Officials say אן ניין ני ינואר ביוופי abendance the For m of the steach for and summe corper s of confirmed deals At least 15 300 perce

mate raised of gas reserves を行うことに 空戸 E ger fon karin m mad mean hear Man province/ er reg dies to recent De and reports from the eritarian april men ad Sall Problem Services, a to see) ----

Re Bieten in ibe fer-

of Aspett tas opens

के अल्ब्राम कार करने हैं की

e io

nev

inese 1 aid

introduced in Malaysia no later than 1990, according to Mr Daim Zahmddin, the Minister Mr Daim said in his budget speech in October that intro-duction of Vat should be considered because of the need to broaden the tax base, but he has always refused to be drawn on how or when such a tax could or would be introduced. "Personally I wanted to introduce Vat in 1985 so it is already running very late for me," said Mr Daim, who was brought in from the private sector to be Finance Minister by Dr Mahathir Mohamed, the Prime Minister, in 1984.

"I hope to be able to introduce Vet by 1990 of the letters."

duce Vat by 1990 at the latest and I see no excuse if they (the civil servants) say they are not ready by then. I'm already behind time," he said. As Mal-aysia's budget day is in Octo-ber, Mr Daim's comments

VALUE ADDED tax will be mean that he intends to make

Vat the centre piece of the next budget in 1989. "Even if I am no longer finance minister I am sure that whoever is will have no alternative but to introduce Vat. We have cut direct taxes, our

sales tax is unsatisfactory and we must increase our reve-mes," said Mr Daim. A ministry task force has been examining various forms of Vat, which is the main indirect tax in 39 countries. In particular they have looked at the systems in South Korea, Indonesia and New Ze

land. Of these, New Zealand has the "purest" form of Vat because it has resisted pressure for exemptions.
But Mr Daim said that revenue, there would be exemptions in Malaysia. "There are political consider-ations. You have to win elec-tions," he said.

Bigger Soweto planned

THE South African Government unveiled plans yesterday to enlarge Soweto, the country's largest black township, and immediately ran into criticism from extreme right-wingers, Reuter reports from Johannesburg

It was announced in Pretoria that an area of 13,000 hectares had been set aside for an extension to Soweto, south-west of Johannesburg. The name is a contraction of South Western

Part of the project, which has yet to obtain final approval, will be to build 45,000 in October.

homes to ease an acute hous ing shortage among blacks, said Mr Roelf Meyer, the deputy minister of constitutional velopment and planning.

About 2m people already live in Soweto, which has been a centre of protest against the

The plan was promptly attacked by the Conservative Party, which enjoys growing support among South African whites and won many local councils in the Johannesburg region in municipal elections

Hungary opens Seoul mission

SOUTH Korea yesterday relationship with the Eastern bloc when Mr Sandor Etre arrived in Seoul to set up a Hungarian permanent mission, Maggie Ford writes from

Mr Etre, a former ambassasenior East Asia official in the Hungarian Foreign Ministry, said that Budapest hopes to establish full ambassador-level relations soon.
The diplomat's arrival marks

the first fruits of President Roh Tae Woo's Nordpolitik, announced earlier this year. Mr Roh is seeking to open rela-tions with Rastern bloc countries with a view to easing ten-sions with communist North Korea and developing trade.

OVERSEAS NEWS

Malaysia proposes | Japan takes a long look at its burden of defence

to introduce value Ian Rodger reports on pressures for Tokyo to expand its role and its budget in the military arena

of historical events -the serious illness of Japan's Emperor Hirohito and the US presidential election the long sensitive issue of Japan's defence posture may again be catapulted into the forefront of the debate on US-

The US Congress appears to be girding itself for one of its periodic assaults on Japan for not contributing enough to the costs of the defence of the West. The next Administration may listen to Congress on burden-sharing rather more than President Reagan's did.

In Japan, radical right wing elements are suggesting that the country should take advan-tage of the Emperor's passing to shrug off the burden of guilt from the Second World War and revise the postwar US-imed constitution so that it can become an independent military power again. Although the influence of the extreme right wing on public opinion in Japan is minuscule. even moderate Japanese concede there are contradictions in Japan's postwar role. It is no longer easy to be both an economic giant and a political eunuch. It is unusual, to say the least, to have the world's third largest defence budget, but to be constitutionally constrained from asserting any power outside national bor-

ders. Officially, neither the US nor the Japanese Governments welcome a debate on Japan's defence posture at this moment. They worry that any hint of a weakening of their security alliance, which both now consider very satisfactory. could upset the complex and delicate strategic balance in the Far East. This would be particularly unwelcome at a time when the Soviet Union is

evolving new policies in the

Y a curious coincidence region and when tensions in two longstanding trouble spots

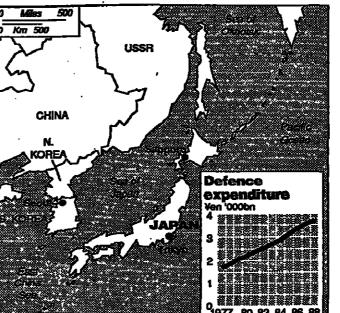
- Indochina and the Korean peninsula - are at last showing signs of being reduced. At the same time, many of Japan's Asian neighbours still view with unalloyed alarm any resurgence of Japanese mili-tary capability.

However, the US Congress, armed with the August report from the Defense Burdensharing Panel, may be more responsive to other considerations. That report, picking up an old refrain, was sharply critical of Japan for spending only 1 per cent of its gross national prod-uct on defence compared with 65 per cent by the US: "Why do the Japanese - whose drive and ingenuity led them from total devastation to economic superpower status in a mere 40 years - appear unwilling to time free world burdens at a level more commensurate with their ability to pay than they currently as

Last year, for example, the country was widely criticised for not helping maintain the safety of shipping in the Gulf despite the fact that it relies heavily on that area for its oil

Japanese analysts worry about similar situations dev oping in the future. "If a Japa-nese ship was attacked near Aden, we could ask the British fleet to come to our assistance and it would come. If a British ship was attacked off North Korea, we could not help," a government official pointed out recently. Similarly, what could Japan do in the event of the Straits of Malacca, a vital shipping lane for the country's oil, being blocked?

For the right wing extremists, the answers to these ques-tions are simple. Mr Hideaki Kase, a well-known nationalist, recently called for the removal



of the non-aggression clause from Japan's constitution and the establishment of a self-sufficient military force armed (Japan's non-nuclear principles prevent its forces from being so equipped.) But for the US, the existence

of a stable and reliable ally in benefit in itself, making it pos-sible for the US-Japan security agreements to underpin the collective security of the whole region. Moreover, if Japan pays a much larger share of the cost, it should have a larger share of the decision-making, a change which, as US officials concede, could upset the

regional strategic balance. In any event, US officials are satisfied that Japan is now making a hig effort to contribute to collective security

1977 80 82 84 86 <u>88</u> early 1980s, the Self Defence Force had accepted the role of protecting the Japanese territory in the event of a "limited and small scale" invasion from the Soviet Union, a role that has some collective implica-

substantial US forces in Japan

of the job of providing a por-

tion of their own security. Japan then agreed to take on two additional missions, to block the three straits passing through or by the Japanese archinelago from the Asian mainland to the Pacific and to protect the sea lanes for a distance of 1.000 nautical miles south from Japan.

The Government is in the middle of a five-year spending plan aimed at financing the equipment and facilities eded to carry out those three missions by 1991. And it is building up a formidable force

by any standard. For example, is now paying about \$2.2bn a its 60 vessel fleet of destroyers is bigger than that of the UK. "We are a tiny country already armed to the teeth," a foreign ministry official says. Its overall military budget of Y3,700bn (\$29bn) this year is the third largest in the world after the US and the Soviet Union, although the figure is bloated by the relatively high salaries

of its volunteer forces. Inevitably, there is disagreement over exactly what equip-ment is needed and how much should be spent. For example, some advocate aircraft carriers to carry out the sea lane defence role. The Government and others fear adverse reaction at home and in neighbouring countries to the idea of aircraft carriers, which are by definition offensive weapons. preferring instead a combina tion of tanker and patrol aircraft operating from Japan's southernmost islands.

Whatever is done, it is considered politically and practically unlikely that defence budget could much exceed the current 1 per cent level. "I doubt that it could get to 1.5 per cent of GNP," says Mr Koichi Kato, a member of parliament and former Self Defence Agency director gen-eral. In any case, it is not the only formula determining defence commitment and effec-

Without a radical policy departure it is not easy to see where and how Japan could increase its military capability. The country might extend its sea lane surveillance, but that would almost certainly cause an outcry in China and South

It might also underwrite more heavily the cost of US forces in Japan. However, the Government has already made year, or \$45,000 per US serviceman stationed in Japan.

Japan is also stepping up its aid effort to developing countries, deliberately directing much of it to countries of strategic interest to the Western alliance, such as the Philip-pines, Pakistan, Turkey and Afghanistan. In a similar vein, the Government is inching towards a more active role in international peacekeeping operations, such as the super-vision of the ceasefire in the Gulf and the withdrawal of Soviet troops from Afghanistan. However, even if the aid and defence budgets are put together, the total will not surpass even 2 per cent of GNP for

More immediately, Japanese economic success and US eco-nomic problems, exemplified by growing Japanese pur-chases of US assets, are already inducing political resentment in the US that could translate into further pressure on Japan. The problem is that the most obvious pressure points, defence burden sharing and freeing the Japanese rice market, are already so sensitive in Japan that a US offensive on either could end up alienating the broad consensus of Japanese society which has supported the special US-Japan relationship, including the security

People as extreme as Mr Kase will probably not benefit from an adverse Japanese reaction. However, there is a much larger group of moderate nationalists, including, for example, Mr Yasuhiro Nakasone, the former prime minis-ter, who would not turn away from an opportunity to revise the constitution and assert a more independent status for

and Japan in scrap over the cleaning bill US military

By Stefan Wagstyl in Tokyo

THR American soldiery in Japan tries hard to win the respect of the people it is trying to defend. But this year the men in hob-nailed boots have been getting the better of the diplomats in the embassy.

In the latest skirmish between the US forces and their hosts, the US Navy has got embroiled in a row with the municipal council of Yokosuka, a seaside town near Tokyo, over the

cost of collecting household rubbish. The navy, which has a large base at Yokosuka, is refusing to pay a \$50,000 waste disposal bill.

The town council threatened to stop collecting the navy's rubbish from the base but backed down after pressure from the Japanese authorities. However, it insists the navy must pay up. The navy says it will not because the terms of payment

were agreed by a previous commander at the base and the local council - and were never ratifed by the US-Japan Joint Committee on the Status-of-Forces Agreement, the body governing relations between US

Armed Forces and Japan.

The navy was not mollified by the fact that the Japanese Government has recently paid for the installation of an incinerator at Yokosuka, which

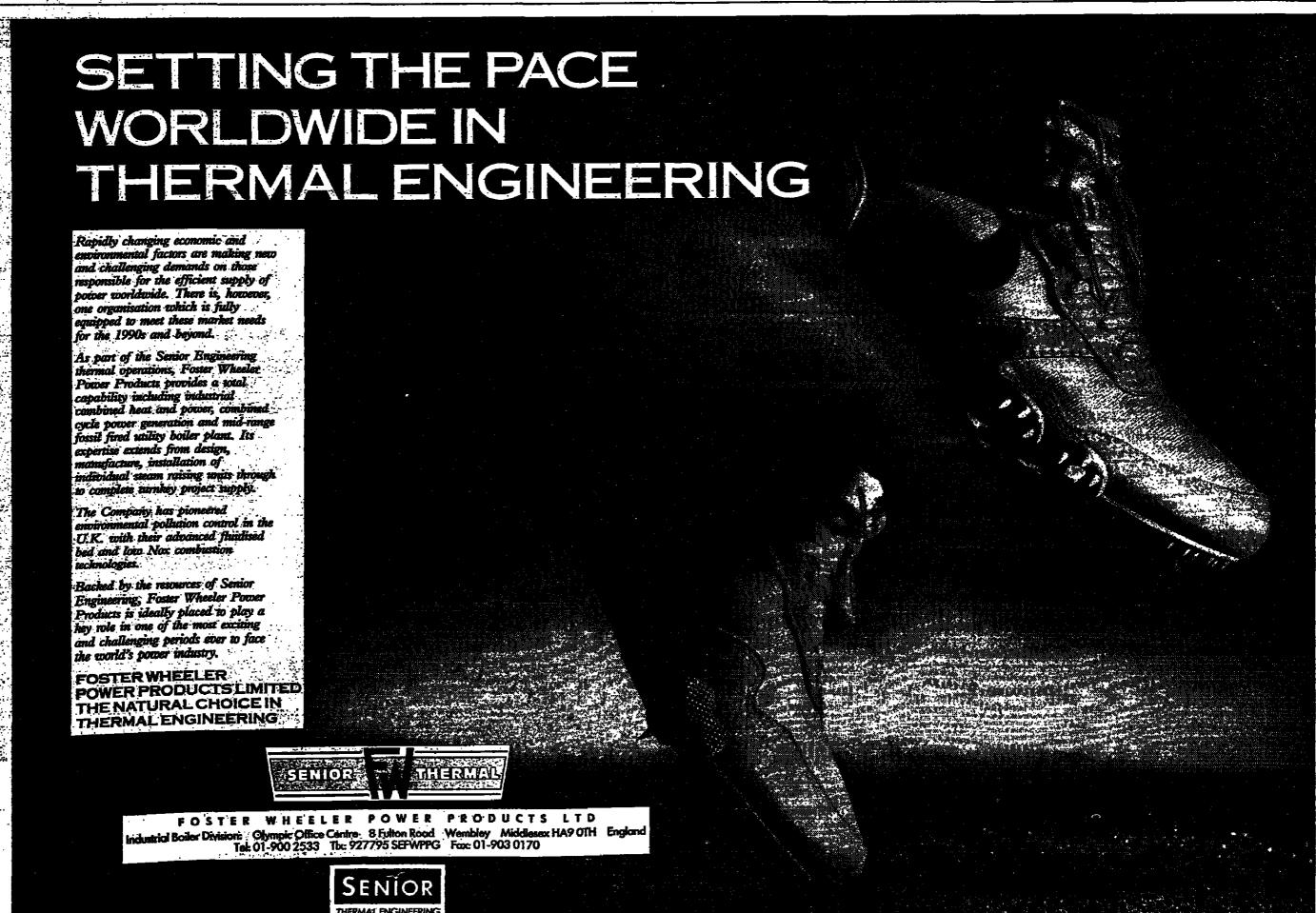
The US has not had a good year in trying to be a good neighbour. The captain of the USS Towers, a destroyer, lost his job last month after his ship fired shells in Tokyo Bay near a Japanese patrol boat. The shells were non-explosive rounds although the patrol boat's crew could hardly have been expected to know

means that in future the waste collec-

that at the time. They complained. Before that the US Marines, stationed in Okinawa, had to inspect their 200 firing ranges after stray bullets knocked holes in the walls of buildings in the town of Kin.

The incidents show that most Japa-

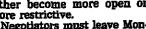
nese want US protection. They like to have US armed forces stationed in Japan - but preferably in some other part of the country.



TRADE Ministers meeting in Montreal this week cannot afford to fall in their objective of giving clear political direc-tion to the Uruguay Round of multilateral trade negotiations, said Mr Brian Mulroney, Canada's Prime Minister.

"We are at a crossroads. We can succumb to the destructive forces of protectionism or we can seek to build a more dynamic and more secure global economy," he told the opening session of the meeting

here.
Mr Mulroney said the world
was on the threshold of a decade of historic challenges and choices in world trade. "With Europe of 1992, the Canada-US Free Trade Agree-ment, the Australia-New Zealand agreement and closer ties in the Asia-Pacific region, world trading patterns would either become more open or more restrictive.





the destructive forces of pro-tectionism, or we can seek to secure global economy

Mulroney: 'We can succumb to

treal determined to bring the

Search on for Yeutter successor

By Peter Montagnon

PARTICIPANTS at this week's trade ministers meeting are carefully playing down the significance of the failure so far by the incoming Bush Administration to nominate a successor to Mr Clayton Yeutter as US Trade Representative.

In a warm personal compli-ment despite their many policy differences, Mr Willy de Clercq, EC Trade Commissioner, described Mr Yeutter in Montreal as "an outstanding man who has the confidence of all the negotiators".

The absence of a designated successor had not diminished the standing of the US delega-tion to the talks and should not be treated as a signal that the Bush Administration attached a low priority to the

General Agreement on Tariffs and Trade, he said. Nonetheless, there remains

Mr Yeutter, a former head of the Chicago Mercantile Exchange who has been a dominant figure in international trade policy for more than three years, has expressed a desire to return to private business once the new administration takes office.

Among names mentioned as possible candidates for his replacement are Mr Edmund Pratt, chairman of Pfizer Corporation and a businessman of wide international experience, and Mr Bill Frenzel, the Republican Congressman from Min-nesota widely recognised as a keen free-trader.

Some participants at Mon-treal believe Mr Bush may have deliberately chosen not to nominate a successor to Mr Yeutter ahead of the Montreal and Trade, he said.

Nonetheless, there remains considerable interest in how the succession will be handled.

Tetter aneau of the months meeting in order to strengthen the authority of the outgoing Trade Representative as head of the US delegation.

the round could be completed on schedule in 1990, he said. Mr Mulroney described the new US-Canada free trade agreement as a "significant and beneficial contribution" to the trading system, noting that it broke new ground in areas such as dispute settlement, investment, and services which could serve as a model for the

and timely conclusion so that

General Agreement on Tariffs Canada's commitment to the Gatt was as strong today as 40 years ago when the organisation was founded.

tion was founded.

He acknowledged that the free trade agreement could bring some economic dislocation and employment change, and said the Canadian government would work with the provinces, the private sector and labour, to ensure the existence of retraining and adjust-ment programmes for Cana-dian workers.

> corporate boardrooms of the developing world. But among many businessmen here a question mark still hangs over the commitment of European business to Gatt.
> While US business, through

resentative, has stressed Mr Bush's personal interest in the "President-elect Bush has been on board every step of the way," he said. He added this was under-

Mr Yeutter is deliberately

maintaining an unusually low public profile but Mr Alan Homer, Deputy US Trade Rep-

lined last week by a specially convened meeting involving President Reagan, Mr Bush, Mr Yeutter and Mr Richard Lyng, Agriculture Secretary, at which the prospects for the talks were reviewed.

European officials say they would have been much more concerned if Mr Michael Dukakis had won the election and failed to nominate a new US
Trade Representative before
this meeting, but they accept
that there is a considerable degree of continuity on trade policy between the Bush and Reagan Administrations.

European business cool on Gatt

Interest in Montreal talks is questioned, reports Peter Montagnon

THE great and the good in the US business community have descended on Montreal this week to watch from the sidelines as trade ministers grapple with the task of shoring up the multilateral trading system.

The presence of names such as Mr John Reed, chairman of Citicorp, Mr James Robinson of American Express and Mr Paul Orrefice of Dow Chemical is not an entirely new departure for such meetings. But it con-firms a high degree of interest in the outcome of the Uruguay Round of multilateral trade liberalisation talks which is slowly beginning to be replicated elsewhere.

In a more unusual departure, top Japanese businessmen such as Mr Akio Morita from Sony and his counterparts from companies such as C Itoh and Daiwa Securities are also

Mr Arthur Dunkel, Gatt director-general, says it is all evidence of growing interest in the General Agreement on Tar-iffs and Trade (Gatt) by private-sector businessmen, which is also to be found in the

done much to help formulate the US negotiating position, many consider that top European corporate executives, conspicuous by their absence in Montreal, are much more enthusiastic about the advent of the single market in 1992. "It is frustrating that we have not been able to galvanise

Reagan Administration, has

the European business commu-nity in the effort," said one US In the early stages of the Uruguay Round, the Business

Roundtable, which groups top executives in the US, formed an alliance with its European counterpart to promote the Round, but this effort dissi-pated after Mr Pehr Gyllen-hammar, the charismatic chairman of Volvo, was succeeded as chairman of the European Roundtable by Mr Wisse Dekker, chairman of Philips, a company hardly noted for its devotion to the

principles of free trade. In a recent seminar organ-ised by the Touche Rosse, accountancy firm, Mr S van Houten, a Philips managing board member, said there was a degree of disillusion in Europe with Gatt, which he said was "too idealistic". Some bilateralism and reciprocity was needed to deal with the While US business, through practicalities of modern day its close advisory role to the trade problems, he said.

European officials, however, deny that that their business constituency is uninterested in what happens in Gatt.

Not only has the services sector, under the leadership of the UK group chaired by Sir Michael Palliser, deputy chair-man of Midland Bank, shown an active interest in the Round Mr Willy de Clercq, EC Trade Commissioner, also recently took a group of senior executives to visit Gatt in

The problem is that the EC, with its diverse membership of with its diverse membership to
12 countries, is not used to
forming the business coalitions
that have long been the tradition in the US, EC officials say.
But the result has been that
European private sector interthe US of the European Popular est in the Uruguay Round appears patchy at best. British Petroleum, which last week submitted a position paper on the Round to the UK Government, is an exception at the level of individual corpora-

Elsewhere, the private sector has concentrated its efforts on the more anonymous route of working through federations and associations such as the Confederation of British Indusiry and International Chamber of Commerce. The support these organisations receive is often at relatively junior level. According to Mr Kurt Steves,

a director of the German Indus-try Federation (BDI), which has produced several position papers on the Urugusy Round, "people at management level don't normally participate. They leave it to their represen-tatives in federations and to civil servants." civil servants."

That in turn is a demonstra-tion of confidence in their governments' ability to under-stand the issues, he says. For the BDI, which represents many small and medium-sized firms heavily depen-dent on exports, such a difference in style compared

and does not signal a lack of interest in the Round.
Other European business executives acknowledge, how-ever, that European private sector interest in the Uruguay Round has been more reactive than active.

with the high-profile approach of top US executives is natural

This is in marked contrast to the activity of US business-men, who have been busy lobbying delegations of other countries such as Brazil, a reluctant player on the issues of liberalisation of trade in services and protection of intellec-tual property rights.

If anything, the low profile adopted by European business has accentuated the impres-

sion that Europe's main preoccupation in the Uruguay



Round is to defend its freedom of manocuvre in farm policy. In Japan, the Keidanren employers' federation has come out in support of opening the domestic market to rice imports, partly because it sees this as in the broader trading interest of the Japanese econ-

Mr Steves of the BDI says his organisation in turn has been strong in demanding reform of the Common Agricultural Policy. "We must stop these massive subsidies not only in the EC, but also in the US."

It is a voice, however, which finds few echoes in European manufacturing industry. For manufacturing industry. For all their much vaunted dependence on trade, the captains of European industry are perfectly happy to go on the record in support of 1992, but most are still strangely silent when it comes to the broader question of Catt itself question of Gatt itself.

Leahy warns on new farm subsidy legislation

By Peter Montagnon

THE US CONGRESS will write new farm legislation next year providing for increased subsi-dies if trade ministers meeting in Montreal this week fail to reach agreement on a commitment to long-term agricultural reform, a top US legislator warned.

Mr Patrick Leahy, Chairman of the Senate Agriculture Com-mittee, said an agreement in Montral on agriculture which was weak or lop-sided against the US would in all likelihood lead to Congress voting increased export subsidies in partiallar.

have to do that, but remember the pressures facing us in the US," he said in an interview. The US had an enormous trade deficit but the two bright spots were the earnings it derived from its farm sector and from the competitive advantage gained from its

intellectual property rights.
"We're being asked in the
General Agreement on Tariffs and Trade to give up any advantage we have both in agriculture and intellectual property and get nothing in return."

articular.

**Hearing is remarks under-lined both the strength of feel-

ing in the US and the wide political gulf between the US and Europe on farm reform. He dismissed Europe's claim that it had already acted to reduce farm supports as illusory and said that the US was in fact cutting farm spending by half to \$13bn (£7.2bn) this

Europe was determined to support inefficient small farmers. He said he was not concerned about the future of European farmers with five and seven acre farms. "My front lawn is higger than that, literally."

Surveys undertaken by his

committee suggested that over 60 per cent of US farmers sup-US trade bill which provide for ported the idea, proposed by the Reagan Administration, of a complete elimination of all trade and production distorting subsidies by the US provided other countries did the same

other countries did the same. Efforts to revive world agriculture by short-term measures such as those advocated by Europe would not be effective without a long-term goal. "We'd have to have a pretty

clear direction to see what it's going to be like in the end," Mr Leahy said. He had drafted measures

already contained in the new

increased assistance to farmers if no satisfactory agreements were reached in the Gatt.

They were "about as subtle as a sledgehammer," he added.

However, further increases would be written into the fiveyear farm bill due for enact-ment in 1990 if no progress was

If trade ministers in Montreal "worked out a substantive, positive long-range reform that gives us a truly level playing field, then we can write the legislation to carry

WORLD TRADE NEWS

chemicals 'dumping'

By William Dawkins in Brussels

THREE EC chemicals companies have persuaded the European Commission to launch an inquiry into alleged Chinese and East German dumping of barium chloride, a compound used for purifying

exotic metals.

The Brussels authorities are to examine exports from an East German and two Chinese producers to the highly speci-alised \$8.25m (£4.5m) market for the chemical, which also has a wide range of medical

and research uses. This is the latest in a line of Community anti-dumping cases against basic chemicals produced by Communist coun-

Both countries cited by yesterday's case paid EC duties for five years until their explry last August. China has already been paying dumping duties on its exports of barium chloride to the US since 1984.

EC producers claim China and East Germany are continuing to use state subsidies to fix export prices artificially low. The companies bringing the complaint are CdF Chimie AZF of France, Sabed of Italy and Industrias Quimicas Virval of

By Michlyo Nakamoto in Tokyo

MAZDA, the Japanese auto maker, plans to set up arrange-ments with Citroen, the lead-ing French motor group, to import and market Citroen passenger cars in Japan beginning in October next year.

A joint venture company will be established by Mazda, Citroen and Seibu Motor Sales to import Citroen cars, according to a Japanese newspaper report. Mazda will then set up a wholly-owned subsidiary to manage sales through an initial countrywide distribution network of 200 dealers.

they were taking steps to strengthen their domestic sales, including the distribu-

ent, the only Japanese outlet for Citroen's cars is a sole import agency, Selbu Motor Sales, which belongs to the Selbu Saison department store group. Last year Citroen sold 1,757 cars in Japan through Seibu Motor Sales' 60 dealers.

For Mazda, the new joint venture with Citroen would

Mazda officials said only that

tion of imported cars. At pres-

venture with Circein would offer a chance to strengthen its domestic sales which have been hard hit over the past two years, as the company failed to make major model changes while competitors were introducing the competitors were introducing the competitors. ucing new models.

The company's share of the domestic market dropped from 6.16 per cent in 1986 to 5.98 per

cent last year while its share of the passenger car market declined from 6.06 per cent last year to 5.93 in the first half of this.

Exports of Japanese cars have been slumping under the effects of the higher yen which has made it necessary for Japanese auto makers to shift production abroad while placing greater emphasis on the domestic market.

domestic market.

Mazda, which depends on exports for 63 per cent of sales, faces a particularly urgent task of building up the domestic side of its business. The company, which is 23.5 per cent owned by Ford Motor of the US already manufactures and US, already manufactures and sells Ford cars in Japan.

Maruti plans new car for 1991

By K.K. Sharma in New Delhi

MARUTI UDYOG, the Indian government owned automobile company in which Suzuki Motors has a 40 per cent stake, will introduce a new 1,000 cc model to the domestic market in the middle of 1991. It is delaying the project by nearly a year to take advantage of a new design for an existing model planned by its Japanese

partner.
The new model will be the same as that being designed by

Suzuki for the Japanese mar-ket based on modifications to the Cultus. Suzuki plans to

make basic changes to this design, Maruti officials say. The Cultus was to have been made by Maruti Udyog next year. The company will still offer its Indian customers the new model, but will wait a year so that dies and tooling for the latest design are avail-

Maruti Udyog's plans to start

Birmingham is the manufacturing centre of the

manufacturing industry in the West Midlands out-performed every other UK region.

Commercial rents and rates in Birmingham can be as little as a third of London and South-

Well over 100 overseas manufacturing firms

have already invested in Birmingham.

Birminoham offers the blobest level

business expansion of any UK city.

of local authority support to

In the twelve months to March 1988

UK, with more people engaged in manufacturing than Manchester and Sheffield combined.

with local sourcing of the equipment for the new model remain unchanged. Its engine will still be the same indigenously-made one that powers the Gypsy, the jeep-style vehicle marketed by the com-

venicle marketed by the com-pany in India.

Many components being made for existing models will be incorporated into the Cultus to satisfy the Indian govern-ment's requirements of maxi-mum indigenisation.

RELOCATION OPPORTUNITIES

EC to probe | Mazda in Citroen sales deal | World car market passes its peak

Kevin Done reports on a sales boom which is not expected to last

Y year from present record levels with a decline in all three major regional markets of West Europe, North America and Japan, according to the latest world automotive forecast from DRI, the automo-

tive consultants. The industry is enjoying record sales helped by peak demand in West Europe, Japan and the Pacific region and a marked recovery in the US car

World car demand is expected to grow by 5 per cent this year to an all-time high of 34.3m units, led by record demand in West Europe which took over from North America as the world's biggest car market in 1987.

West European car sales appear to be at the peak of an unprecedented boom, with record sales reached in each of the last four years. With the exception of West Germany, all the major European volume markets, the UK, France, Italy and Snain have reached an and Spain have reached an all-time high in 1988 with Italy

set to exceed 2m units and Spain set to exceed 1m units for the first time.

According to DRI the market has peaked, however, and sales in all the major European mar-kets are expected to decline next year as the result of a widespread slowdown in economic growth and under the impact of high interest rates dampening consumption.

Sales are forecast to decline by 5.8 per cent to 12.037m units following an increase of 3.2 per cent in 1988 to a record 12.779m Despite the forecast decline, the absolute level of the European market would still be higher than at any time prior

to the past two years of record

The US car market has exceeded all expectations in 1988 and is expected to show a rise of 4 per cent to 10.699m

units according to the DRI forecast, with Ford the biggest winner with a jump in its US market share in the first 10 months of 1988 to 21.7 per cent from 20.1 per cent a year ago. General Motor's share had declined further to 36.2 per cent at the end of October from

37.1 per cent a year earlier, despite a marginal gain in sales volume. The DRI report says that I car sales next year will fall !

West Germany

West Europe total

WORLD TOTAL

spending.

Here, too, sales are expected to fall marginally next year, before rising to a new peak in

Car demand is booming in Taiwan and South Korea and is expected to stay on a strong upward trend into the mid-1990s, while sales in Brazil are recovering, though still far

volume. DRI report si iles next year	ays that I will fall I	US ea	rly 198	0s. ys that	•	
WORLD CA	AR SAL	ES FO	RECA	ST (0	00's)"	
	1986	1987	1968	1989	1990	1993
Sermany	2,829	2,916	2,730	2,632	2,699	2,660
	1,912	2,105	2,217	1,976	2,035	2,148
	1,882	2.014	2,195	1,963	1,947	1,939
	1,825	1,977	2.131	1,957	1.899	2,002
	686	825	1.039	983	997	1,069
urope total	11.635	12,380	12,779	12,037	12,207	12,522

10,227 10,699 10,190 9,882 10,623 3,275 3,609 3,359 3,674 3,497

WORLD CAR	PRODU	CTION	FOR	ECAST	(000)°4)
	1986	1987	1985	1989	1990	1993
West Germany France UK thaly Spain West Europe total	4,311	4,373	4,339	4,122	4,173	4,316
	2,773	3,052	3,178	2,955	3,049	3,163
	1,019	1,143	1,196	1,185	1,250	1,362
	1,662	1,713	1,908	1,811	1,816	1,813
	1,282	1,403	1,469	1,379	1,375	1,422
	11,818	12,518	12,917	12,245	12,444	12,939
US	7,730	7,146	7,163	6,853	7,158	7,541
Japan	7,810	7,891	8,040	7,508	7,752	7,885
WORLD TOTAL 1	32,727	33,098	34,3 12	33,440	34,400	36,174

around 4.5 per cent to 10.19m units under the impact of rising interest rates, an upward trend in consumer prices and limited growth in consumer

In the Japanese domestic market sales have jumped sharply this year and are expected to increase by more than 10 per cent to a reach a record 3.61m units supported by strong economic growth and accelerating consumer production will rise by 3.7 per cent to a record 34.3m units this year, led by a gain of some 400,000 units in West Europe to a peak 12.9m units.

But it warns that 1989 is expected to bring a sharp decline of 5.2 per cent to 12.2m units, despite a series of important new models. Car output in both North

America and Japan is also expected to decline next year with a fall of 2.6 per cent in North America and 6.6 per cent

ing the early 1990s as export growth is halted by growing offshore Japanese production. Japanese transplant Japanese transplant operations in the US started as relatively unprofitable ven-tures to fend off protectionist measures by the US, says the DRI report, but they have become "an economic impera-tive as a result of the soaring

yen. The US now offers a lower

in Japan. According to the DRI forecast Japanese domestic car

output will peak historically at

8.040m units this year, but fall back to around 7.5m units dur-

cost production base than The capacity of Japanese operations in the US which stood at 648,000 units (includ-ing the GM-Toyota NUMMI joint venture) in 1987 is set to rise to 2.12m units in 1990 and 2.68m units in 1992. The most aggressive expansion is being made by Honda, which should have a US capacity of 700,000

units a year by 1992. This year Japanese producers began exports from the US to restricted markets like Taiwan and South Korea, as well as to Japan itself, and

THE PARTY OF THE P

A STATE OF THE STA

Chieffy and

Major tors

Europe is expected to become the next target.

At the same time the DRI report forecasts that direct car imports to the US from Japan will decline to around 1.8m units in 1991, equivalent to only 79 per cent of the current 2.3m units "voluntary export restraint" agreed by Japan

with the US.

Car output in South Korea could rise by 12 per cent this year to 886,000 units, an almost sixfold increase in the last five years. The DRI forecast suggests that output will exceed Im units for the first time next year and South Korea is expecyear and South Korea is expec-ted to overtake the UK as a car

producer in 1990.

DRI World Automotive Fore-Price £1,750, published by DRI, 30 Old Queen Street, London, SW1H 9HP.

Italians win Saudi contract

By Finn Barre in Riyadh

SAUDI BASIC Industries Corporation (Sable), Saudi Arabia's partly state-owned petrochemicals group, has awarded a construction con-tract for the expansion of the National Fertiliser Company's Ibn Baytar plant in Jubail to Technipetrol of Italy.

Technipetrol had already been awarded a contract for consultancy on the project. Under the construction contract, it will build a 500,000 tonne-a-year (tpy) granular urea unit, and two units that

will produce a combined total of 810,000 tpy of compound phosphatic fertiliser.

The plant will cost an estimated \$187m (£103m). The contract has been awarded on a cost-plus basis. It states that work must begin before year-end. The plant expansion should be completed by the

end of 1991. Ibn Baytar at present produces 500,000 tpy of ammonia, which is used as a feedstock for urea fertiliser. The compound fertiliser can eventually

use Saudi-mined phosphates, but will probably use other Arab-produced phosphates in Ibn Baytar is a joint venture

owned by Sabic and Sabic's oldest company, Saudi Fertiliser Co (Safco) of Dammam.

• Iran's National Petrochemical Co (NPC) is sending a mission to Japan on Thursday to discuss the stalled Y600bn (22.7bn) Iran-Japan Petrochemical Co project with Mitsul, government and oil industry

officials said.

OUR OTHER AD IS A **FULL PAGE** IN THE F.T.

irrepressibly value-led approach to fand management, please talk to Keith Percy or Jane Wright on 01-628 6070.

PHILLIPS & DREW LIMITED COURT - M FINSBURY SQUAR LONDON ECJA 18R

communications links - including the UK's fastest growing international airport. It's supporting one of the UK's most exciting development programmes, with new industrial and commercial projects worth more than £1-5 billion currently in the pipeline.

And it's established Birmingham as one of Europe's great business cities, with developments like the new £12 in International Convention Centre and the expanding National Exhibition Centre.

Most important of all, the investment is working directly for hundreds of local companies, which are to find out how the Birmingham ... time over the last ten years. avestment could start working for manufatti (1885)

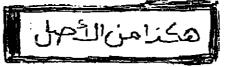
Before you make your own investment in relocation, take a look at the Birmingham Investment. It's been designed to create the perfect environment for business success. And it's working.
It's given the city the LKCs tastest redionwide

communications links - including the UK's fastest



The Investment is working

Birmingham City Council, Economic Development Unit, Development Department, Room 104, Baskerville House, Broad Street, Birmingham B1 2NA.



send Brazilian stocks tumbling

By Ivo Dawnay in Rio de Janeiro

AN alarmist warning by President José Sarney that Brazil is on the route to "revolutionary socialism", combined with proposals by the Workers' Party (PT) to nationalise private banks, sent stock prices tumbling yesterday.

On the key São Paulo market, the Bovespa index closed 5.1 per cent lower at 19,630 as smaller individual shareholders liquidated their holdings. Though trading volumes at Cz9bn (£8.6m) were low, brokers noted that institutional buyers had clearly decided not to intervene to hold up prices.

Mr Roberto Santos Silva, of Rio de Janeiro's Tamoio brokerage, said the sharp fall in the market, which bit 24,000 in mid-November, confirmed that

political anxieties were now influencing trading. "The institutional stockholders have decided to take away the mattress beneath the market," he said. "They think it is probably too high, and there is too little clarity as to the out-

look for the future." Two big factors behind the fall were a presentation of the PT's policy objectives made at the weekend by the party leader, Mr Luiz Ignacio Lula da Silva, and an emotional newspaper interview by Mr Sarney. The PT unexpectedly triumphed at last month's municipal elections, winning several key industrial cities including

AN investigation has been

ordered into allegations of a

financial scandal involving the

distribution arm of Petrobras,

Brazil's state-owned oil monop-

Unnamed officials at Petro-

bras Distribuidora, which handles \$5.1bn (£2.8bn) a year in

revenues from the company's

nationwide network of petrol

stations, are accused of having insisted on "tips" from banks interested in looking after its

The allegations, said to have been made by rival banks, are

now the subject of an internal

inquiry. They come as a seri- alleged malpractices.

oly, Ivo Dawnay writes.

São Paulo. Many believe that Luia — as the PT leader is uni-versally known — is now in serious contention for the presidency at elections in a year. He said his government

would call an immediate mora-torium on Brazil's \$115bn foreign debt before re-opening negotiations with creditors. He also envisaged the nationalisation of the banking, transport, education and health sectors. "Everything

lives must be under the control of the state," he argued. Such proposals appeared to be among the reasons for an uncharacteristically bleak view of Brazil's future in an interview with Mr Sarney in the Estado de São Paulo newspa-

that is essential in the people's

per. Clearly still shaken by the murder of a nephew in Rio de Janetro last week, Mr Sarney said the PT had used the "electoral game" as an instrument to gain power and there were insufficient political forces to halt its success.

"The country is on the track towards totalitarianism. We are heading for a socialist revomany believe that the PT's chances in the presidential elections next November have risen sharply, the view that the party has undemocratic objectives is unlikely to be widely

Brazil's state-sector companies

It is also a personal embar

rassment for President José

Sarney, who appointed his

friend, Gen Alberico Barroso,

this year. The president is said

to baye favoured the general as to have favoured the general as president of the holding com-pany after the resignation of Col Ozires Silva in June, but

the choice was fiercely opposed

to preside over the subsidiar

AMERICAN NEWS

'Socialism' fears | Perez faces old problems again

Joseph Mann on the return of Venezuela's veteran politician

R CARLOS Andres Perez Rodri- results became clear. goez, a lifelong politician, won a second term as President of Venezuela by an ample margin in Sun-day's national election, confirming the dominant role of the ruling Democratic Action (AD) party.

According to early projections, Mr Perez obtained around 52 per cent of the vote, compared with 33 per cent for his closest rival, Mr Eduardo Fernandez, 48, a lawyer turned politician who stood as candidate for the Christian Democrat Copei party.

Mr Teodoro Petkoff, a charismatic for-mer guerrilla leader, took third place in the presidential race as candidate for the Movement Toward Socialism (MAS). There were 23 candidates for the presidency this year, the largest number ever.

Of the seven presidents elected in Vene-zuela since the last dictator was removed three decades ago, five have been members of AD and two of Copei. In elections for national and state legislators AD, the left-of-centre party that currently holds the presidency and a legislative majority, also won a majority of seats. The new president will begin a five-year term in early February, taking over from the out-going President, Dr Jaime Lusinchi.

Official vote counting is a slow process in Venezuela, and final results may not be available for a few days. But early official results and other projections gave Mr Perez and his party a strong lead. Mr Fer-nandez conceded defeat on Sunday night and will now face a struggle to keep control of Copei, Venezuela's second largest

political party after AD.

Elections in this nation of 18.7m people were held peacefully, but the capital city of Caracas erupted into fireworks and

Mr Perez, popularly known as CAP, will he the oldest Venezuelan president to take office. But at 66 he is a highly energetic man whose 18- to 20-hour workdays test

the stamina of his aides. Born in a rural section of the border state of Tachira, Mr Perez began working in politics as a teenager and has spent his entire professional life in the Democratic Action party. He was first elected to Congress in 1958 and later served as Minister of the Interior in the early 1960s, when he headed a successful government effort to crush leftist guerrillas.

Loquacious and charismatic, Mr Perez was president during the heady years of the 1970s, when Venezuela had seemingly unlimited financial resources. He launched a series of big industrial and social development programmes which met with mixed success. His Government successfully nationalised the petroleum iron-ore industries, and Mr Perez played the role of a spokesman for the Third World.

is return to the country's most powerful to the country's most powerful post was not an easy task. He left office in early 1979 with a low popularity rating, his Government accused of widespread scandals and inefficiency. Although the first Perez regime enjoyed unprecedented income from petroleum, it was beset by problems caused by rapid population growth and official mismanagement. He even received a public vote of censure from the Venezuelan Congress for allegedly permitting cor-rupt acts during his Government.

As an ex-president, Mr Perez continued to remain active in international affairs, but had to fight hard to regain control of his own party at home. Last year, he

emerged victorious from a bitter internal campaign for his party's presidential nom-

The man who was the country's free spending chief executive from 1974-79 will now have to face a nation with basically the same social problems, much lower oil revenues, an economy still highly dependent on petroleum, a government beset with high service payments on its foreign debt and rising inflation, and a larger population seeking political reforms and an improved standard of living.

His economic programme for 1989-93 has been publicised only in general terms. Mr Perez has said he will call for renegotiation of the Government's \$25bn (£13.5bn) foreign debt and will keep annual debt service payments below \$25n, compared with \$4-5bn today. He has also said he will halt the successful overseas investment programme carried out by the national oil company, PDVSA, and will open the industry to new investment on the home front.

Mr Perez's economic plan also calls for restructuring the nation's productive apparatus, still dependent on imports. He also said his Government would make new financing available for development pro-lects in Venezuela, "democratise" capital and provide an "equitable distribution" of the fruits of economic growth.

While continuing to take an active interest in international affairs, CAP must face serious economic challenges at home. He has said he will seek a broad agreement among Venezuelan business and labour leaders to confront the economic problems. In addition, the man who raised government interference in the economy to high levels in the 1970s has said he will redefine the role of the state in domestic economic activities.

Peruvian judiciary employees call end to 25-day strike

By Veronica Baruffati in Lima

MORE THAN 12,000 workers in Peruvian miners, now into the Peruvian judiciary have ended a 25-day strike which had paralysed the whole judi-cial system.

Although details of the negotiations have not been disclosed, strikers had been demanding the indexation of wages to inflation, the awarding of a bonus according to technical qualifications and the spreading of benefits.

"The situation of the judiciary is really chaotic, with threats of embargo and complete bankruptcy from the viewpoint of the economic management of the institution," lamented the president-elect of the Supreme Court, Dr Oscar Alfaro Alvarez. Dr Alfaro has asked Parlia-

ment to approve 2 per cent of the state budget for the judi-ciary, as is laid down in the constitution. "If the judiciary has no eco-

nomic independence, then it is impossible to talk about auton-

omy."
The Supreme Court is this week expected to give an injunction in favour of the demands being presented by their 50th day of strikes. The miners have already received a favourable verdic

from a judge of a Court of the First Instance in Lima. If the Supreme Court rules in their favour, the mining companies will have to negotiate with miners and govern-

ment officials on the miners' industry-wide demands. The mining companies have insisted that the Federation of Miners, Metallurgical and Steel Workers has been infiltrated by Sendero Luminoso rebels and does not represent the real

the country. Traditionally, mining compa nies have dealt with local unions at individual mine level, and therefore reject the right to industry-wide claims demanded by the federation.

interests of miners throughout

The Government, however. agreed to the discussion of the miners' federation's broad-based claims at the end of the last miners' strike in August. Miners' strikes this year have already cost Peru more than \$400m in lost exports.

US economic growth slows, says survey

THE US economy continued to grow in November, but at a slightly slower pace than the previous month, the National Association of Purchasing Management said, AP reports from New York.
The NAPM, which tracks the

strength of the economy with a monthly survey of purchasing executives, said on Sunday that its Purchasing Managers Index dipped to 56.6 per cent from October's 56.8 per cent. The purchasing managers who took part in the survey

said production continued to increase last month, but at a slower rate than in October. Some 27 per cent of the respondents reported production was up, compared with 26 per cent in October. While 58 per cent, compared with Octo-ber's 65 per cent, said that pro-duction was the same, but 15

per cent said production was slower, compared with 9 per cent the previous month. Employment was sharply higher in November 18 per cent of the respondents reported higher employment, while 69 per cent said it was the same and 13 per cent said it was down. That compared with 16 per cent reporting higher employment during October, 72 per cent reporting it was the same and 12 per cent reporting it fell. The purchasing managers also reported new orders

• The US economy will slow considerably next year and probably tumble into a recession before the end of 1990, according to a survey of the National Association of **Business Economists (NABE)** released yesterday, Renter reports from Washington.

Ortega cancels UN visit in protest to US

PRESIDENT Daniel Ortega of Nicaragua said yesterday that he would not travel to the United Nations this week because the US had failed to Scandal claim at Petrobras issue enough visas for his party and had imposed unacous blow to the reputation of a company long known abroad as the best administered of ceptable restrictions on his stay in New York, AP reports

from Mexico City. "I cannot accept these rules because the United States cannot decide when, how and with whom a chief of state can visit an international organisation like the United Nations," President Ortega said in Mexico

not require 15 days' notice to approve the trip of a chief of state and his party to the United Nations.

He said that the US should

by the company. Gen Barroso has denied any personal involvement-in the The Administration of President Ronald Reagan had

refused to issue visas for half President Ortega's party and had also refused to issue visas for Nicaraguan journalists who wished to accompany him.

He also said that the US had imposed a geographical restric-tion on his stay that would limit him to the area of four boroughs of New York City. This would prevent him from visiting the home of the Nicaraguan ambassador to the United Nations, who lives outside that area.

"The United States has violated international norms and its promises to the United Nations and has broken the Nations," Mr Ortega said. He added that during his visit to the United Nations he

had wished to make a presen-

ricane Joan had caused his country and to plead for international help.

He had also wanted to confer with Mr Javier Perez de Cuellar, UN Secretary-General, about a new proposal for the United Nations to participate in verifiying a Central American peace accord.

"I thought it was important to talk to the secretary-general because the secretary-general is an indispensible element in the new proposal," Mr Ortega

On Friday, US officials had said visas were approved for President Ortega, his wife, Rosario, and his son Rafael, on December 5. They were to be accompanied by President Ortega's physician and 14 secu-

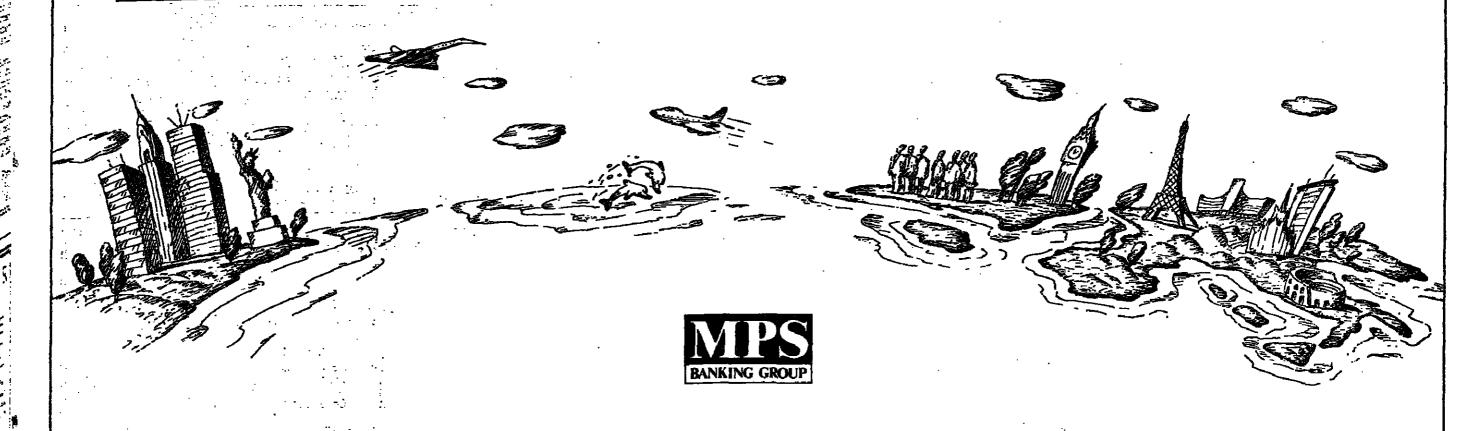
Ms Phyllis Oakley, State Department spokeswoman, said that their applications were expedited even though they were not received within the 15 working days the US Embassy in Managua required

for processing.
Visa applications from 14 other Nicaraguans who wished to accompany the Nicaraguan President as part of his official party were in effect turned down because they were submitted too late to allow ade-

quate time for processing.
Privately, US officials had said last week that President Ortega planned to meet Mr Mikhail Gorbachev, the Soviet leader, who will address the UN General Assembly this week and will meet Mr Reagan and Mr George Bush, the Presi-

There is an Italian Banking Group already at work in the Europe of tomorrow.

le declas su ali Siena. Banca: Tescara, Credito: Commerciale: Credito: Lombardo, Banco Valdostano, Istituto onale di Bretito però Faviore/faliago all'Estero aud Italian International Bank, Seven banks: One Group: A global gistor 1982; the strength of the Group: 796 offices in haly and abroad, including branches and representative an New York Aunden: Paris, Frankfürt: Britxelles: Mescow, Singapore, Cairo, São Paulo, 16,000 employees. Storeign Snareholdings michide Banque du Sud. United Bank for Africa Juhaniationale Bank für Aussenhandel I





MBER 6 1989

103 of the ED! 5275 % personal property of the control of man has the ha some, bearing, and COOKS IN PROPER during mineral THE CALLED AND teste in spring S Traitair, Et 36. # #4E # 10 20 CO for S Carrie S. March S. Sales FOR GALL ISS.

e distant dista 124 s **或** \$2500 000000 00 000000 mistatory agency कहरू दियागा स्व हार्य debanen. 2 12 wer, further mining Me and the training the first Fin this day 12 625 \$ 1000 年 2017 (1012 Electrical and 1012 Elect Willes of a large 連貫性をしていたことの 新數 经正面设施

E fort our sex

peak red to last Man Accordance to the Co. <mark>ಕ್ಷಾಗ</mark> ಕೊಡಡಿದ್ದರು ಅವರ ಅವರ ಪ್ರ 黃 美河 随地 广东江江

数数を対して

UK NEWS

Training Bill to see abolition of Wages Councils

THE Government yesterday signalled its intention to abolish the 26 Wages Councils, which set minimum pay levels for 2.5m workers, and the pre-The paper argues that the councils have not been giving enough weight to the impact of their awards on job prospects. It also doubts whether a statuentry closed shop, in which workers must have a union card before they can get a job.

The plans are laid out in a

tory system of pay determina-tion is relevant to the 1990s when employers should be developing more flexible and individual systems for deterbroad policy document on employment, Employment For The 1990s. It is directed at mining pay.

The review of the entire improving Britain's training Wages Council system goes beyond recent calls from the Confederation of British Indus-

The paper outlines plans to set up a local, employer-led system based on a network of about 100 local Training and Enterprise Councils. These will work with the Department of Employment's Training Agency and a new National Training Task Force composed

largely of leading employers.

The document will also allow for the abolition of the statutory powers of the seven remaining Industrial Training Boards to raise money from industry through a levy on

The Construction Industry the position, are more likely to Training Board, which has the widespread support of employ-ers in its industry, may be shed jobs than companies which are not unionised or operate without a closed shop.

given special treatment.

The Government also plans is the plan to set up employerto privatise the Skills Training Agency which operates about 60 training centres for the led Training and Enterprise Councils over the next four years. Mr Norman Fowler, the Employment Minister, said he hoped there would be between Department of Employment.

The most controversial plans are likely to be those to reconsider the future of the Wages Councils and the pre-entry

try, the employers' body, for the abolition of councils in sec-

tors such as Hotel and Cater

On the closed shop, the

paper says that all forms of the closed shop are unacceptable limits on the freedom of indi-

vidual workers.

Recent research had shown that companies which operate

with a pre-entry closed shop, in

which a worker has to have a union card before being able to

get a job rather than merely

joining a union after taking up

The core of the white paper

12 and 20 such councils estab-

lished by the end of 1989.

Mrs Thatcher's criticism of Ryan case angers Irish Government

Dublin stands by its record on extradition

By Kleran Cooke in Dublin.

FROM the political rowsurrounding the case of Mr Patrick Ryan, the Irish former missionary wanted in Britain in connection with IRA muricus and boundings one clear ders and bombings, one clear message emerges: extradition

message emerges: extradition is a tricky business.

The Irish are angry about what they consider to be the unjustified and ill-informed public criticisms by Mrs Margaret Thatcher, the UK Prime Minister, of the handling of the Ryan affair. Mr Charles Haughey, the Irish Prime Minister, will today tell the Dail, the Irish Parliament, about his the Irish Parliament, about his none too cordial meeting with Mrs Thatcher at last weekend's summit of European Commu-nity leaders in Rhodes. In a special Dail debate Mr

Haughey will also seek to make permanent the existing extradition procedures between the Ireland and Britain - procedures which have induced near apoplexy within British Government

The Irish Government has argued that it has done all it can to make extradition work, often against considerable pubciten against considerable public criticism. A total of 895 peo-ple have been extradited from Ireland since special arrange-ments for extradition between the Irish Republic, Britain and Northern Ireland came into Northern Ireland came into force in 1965. Some escaped extradition by

claiming in court that their offences were political. But since the early 1980s the Irish Courts have tended to not recognise such political pleas. Late last year the Dail passed an Extradition Amendment Act. In many ways this confirmed by statute what had

already been decided by the courts: that extradition could in future not be fought on

political grounds.

The Irish Republic was thus able to sanction the European able to sanction the European Convention of the Suppression of Terrorism. "We must face the reality that persons who seek to achieve their political objectives by terror, by bombing and by kidnapping can now move freely and quickly with their means of destruction from one jurisdiction to from one jurisdiction to another." Mr Haughey said last year. "They can only be pre-vented from inflicting horror and suffering and tragedy by international effort."

But the late also ettacked

But the Irish also attached some special conditions to the Act. To the Irish these are normal safeguards aimed at preserving the rights of an individual. To the British they are impediments in the fight against terrorism.

The Irish Attorney-General, before allowing an extradition request to go to court, must be sure that Britain intends to prosecute and not just question the wanted person. To decide this, the Attorney-General must have before him detailed evidence on the case. The Irish say these are normal safeguards, variations of which operate in every country which has extradition arrangments with others.

that present extradition proce-dures are not working. The Irish say that the new procedures have been in force for only a year and one person has already been extradited, although this was not for a terrorist-related offence. The Irish Attorney-General

Mrs Thatcher, however, says

Haughey: international effort needed against terrorism

has also endorsed six terroristrelated warrants under the new procedures which are now at various stages of appeal in

the Irish courts.

He is likely to pronounce judgment on the Ryan affair later this week.

Receiver called in at Sound Diffusion

By Philip Coggan

SOUND Diffusion, the UK electrical equipment leasing group, yesterday asked its bankers to appoint a receiver after experiencing a "deterloration in trading following its

recent interim results. The company's shares were suspended at 22p yesterday and its listing will not be

restored In 1982, it was one of the best performing shares of the best performing shares of the year, rising by 258 per cent, but problems began to set in in 1985. The board's performance was yesterday attacked by a major shareholder, Mr Michael Dawson, chairman of Tunstall, the security equipment group, who described the situation as "a shambles".

Sound Diffusion leases fire alarms, radio systems and kitchen equipment to hospitals, hotels and nursing homes and many of its problems relate to the accounting treatment of those leasing profits. After Mr David Macdonald, former Takeover Panel director-general, took over at the end of 1987, it was found that the previous management was over-optimistic, in calculating costs of operating leases and the likely rate of cancellations. Write-offs totalling about

£10m severely weakened the group's financial position and the company decided to concentrate on shorter term leases in future. The Bank of Scot-

land, the company's main bankers, was asked to put up additional funds, but refused.

Government defers changes in anti-terrorist laws

yesterday postponed a decision on changes in anti-terrorism legislation to meet last week's ruling by the European Court of Human Rights that existing police powers of detention breach the European human rights convention, Charles

dgson writes. Mr Douglas Hurd, the Home Secretary, had been expected to tell the House of Commons during today's second reading of the Prevention of Terrorism Bill how the Government intended to respond to the Strasbourg-based court's rulThe court found that Britain's failure to bring sus-pects before a judge promptly" breached the European convention. However, a meeting of senior

ministers, chaired by Mrs Mar-garet Thatcher, the Prime Min-ister, yesterday falled to reach a decision on changes to the Bill, which renews the existing legislation and makes perma-nent the core powers of deten-tion without irial and exclusion of suspected terrorists. At present, British police can hold a suspect without charge for 48 hours before applying to

the Home Secretary, or in

Ulster the Northern Ireland Secretary, for an extension up to a total maximum of seven days.
The Government is consider-

ing three main options: simply to reduce the seven-day period to the European average of four days; to retain the sevenday period but allow for a judicial review after four days; or to derogate from the ruling on the grounds of the threat posed by terrorism.

Ministers appear determined

to keep the seven-day detention period, which the police insist is necessary to enable them to carry out a complete investigation of a suspect. The Government is also unwilling to run the risk of attracting adverse publicity by taking the rare step of derogating from the roling.
This leaves the compromise

option, allowing for judicial review of a suspect's detention within the seven-day period. Officials concede that finding a workable means of introducing such a review would be prob-

Ministers would have to decide whether to hold the review in open court, forcing insist that the Government the police to reveal in public will not be rushed on its the evidence they have col-

lected, or in closed court which might not satisfy the European Court's requirements. There is also the question of whether the same judge should preside over both the review of detention and any subsequent trial, given his prior knowledge of the evi-dence and the risk that involving judges in what is already controversial legislation might further expose them as terror-ist targets, particularly in Northern Ireland.

Senior government officals insist that the Government response to the ruling.

Roncaglia OPR flour mills

THE KEY TO PROFIT

The flour milling technology developed over the past 35 years by Roncaglia OPR enables bakers, farmers, large users of flour, grits and semolina, such as breweries, pasta factories, etc, to set up their own indepen-

Roncaglia SPA has rationalized the processing of grain and drastically

cut investment costs. The amount of capital required for installation of a Roncaglia OPR flour mill is the lowest around today. A simple structure, 5 metres high, is sufficient to house Roncaglia OPR plants.

The high returns made possible by Roneaglia OPR internationally patented plants reduce the lock-up time for capital and allow rapid industrial

TECHNICAL ASSISTANCE

On site installation and start-up are handled by experienced technicians, whose cooperation with the customer guarantees smooth commissioning After sales service includes assistance that is fully able to ensure maximum plant efficiency at all times and in all parts of the world.

Kindly supply detailed information or Roncaglie OPR mills

Name

Company

Town

Country

A network of autonomous Roncaglia OPR milling plants throughout the nation creates national self-sufficiency in flour production, thus directly contributing to the social and economic development of the country.

HIGH TECHNOLOGY IN A SMALL SPACE



Officine Roncaglia S.p.A. - Engineering Works - P.O. BOX 519
41100 Modena - Italy - Phone + 39 59 218899 (series) + 39 59 218551 (series) Telefax + 39 59 218820 - Telex 218884 - 216089 - 510169 Roncal I

Egg producers cry foul

Nikki Tait on a scramble to denounce Ms Currie

egg producers a wide berth in the weeks ahead. Her weekend remark that most of Britain's egg production was affected by salmonella was being greeted yesterday with a mixture of annoyance, incredulity and not a little sadness.

a intie samess.

"Perhaps she might do the honourable thing and resign," suggests Mr Peter Dean, head of Deans Farm Eggs, part of

the Dalgety group, blumily.
"It's all an enormous exag-geration," remarks Mr Harry geration," remarks Mr Harry Solomon, chairman of Hills-down Holdings. "The dangers of eating an egg are probably less than walking across the road." The authorities, he says, should clarify the position. There is certainly a stable

ndustry potentially affected by Mrs Currie's remarks. According to figures from the Ministry of Agriculture, Fisheries and Food, the average weekly throughout of eggs in the UK ranged between 640,000 and 660,000 30 dozen boxes in the first half of 1987. In "real" terms, it works out at about

30m eggs consumed a day. In terms of structure, however, the UK industry involves a relatively small number of hig players and then a much larger band of smaller produc-ers. At the top are the likes of Thames Valley Eggs, Dalgety and Hillsdown, followed by Kent-based Stonegate Farmers

industry sources estimate accounts for about 14-15 per cent of throughput. It is, however, a co-operative dating back to the mid-thirties rather than a typical company, and represents about 90 individual producers. These range considerably in terms of size - anything from several thousand to spread geographically from

North Devon to Yorkshire.

After Thames Valley, Hillsdown and Dalgety – rank approximately equally with perhaps 10-11 per cent of the market apiece. In both instances, egg interests are part of a very much larger food

operations.

Hillsdown acquired its Daylay business, along with Buxted poultry, from Imperial Group in 1982. Delgety, by contrast, almost doubled the size of its existing egg subsdiary, Deans Farm Eggs, when it required Colleges, a Concern acquired Goldenlay, a co-operative based in the north of England, for £4.4m a year ago. Neither company specifically breaks out egg profits, but at the time of the Goldeniay deal, Dalgety suggested that annual profits of around £1m-£2m would roughly double with the

acquisition.

There is a further contrast between the two operations.

While Daylay produces and

MRS EDWINA Currie, Junior – together taking perhaps 42 packs, the Dalgety business is more heavily angled towards egg producers a wide berth in bly Thames Valley Eggs which company estimates that, after Goldenlay, it produces only about 30 per cent of the eggs which it sells.

The fourth "national" group is Stonegate, in this case a well-established privatelyowned company. Below these four hig players comes a raft of thousands of medium-sized, small and even "cottage indus-

Assessing how serious the fall-out from Mrs Currie's remarks and simmering issue of egg safety is difficult. Mr John Coles, head of Thames Valley Eggs and chairman of the British Egg Industry Coun-cil, suggests that forward orders may fall by as much es orders may fall by as much as 25-30 per cent. Another large producer suggests that forward orders are already down by a

A couple of factors complicate early assessment. Demand for eggs traditionally rises in November and December, so the fall-off in demand could be masked by the seasonal

upswing. Also, the egg industry has a lag of six months or more before producers can adjust to changes in demand. If demand does slump sharply as a result of the recent media attention, Mr

Coles is prepared to describe the result as potentially "dev-

THE BANK OF KUWAIT & THE MIDDLE EAST Opens Your Horizons to the Arabian Gulf





Through our new representative office in New York, BKME can bring you closer to a whole world of trade and business opportunities in the Arabian Gulf. Our comprehensive banking services are designed to give you a combination of in-depth knowledge of the Gulf markets and the warmth of personalized banking we've been known for since 1941. To learn more about how BKME can help you, please contact our Representative in New York City, Mr. Samer Shammas at the following address:

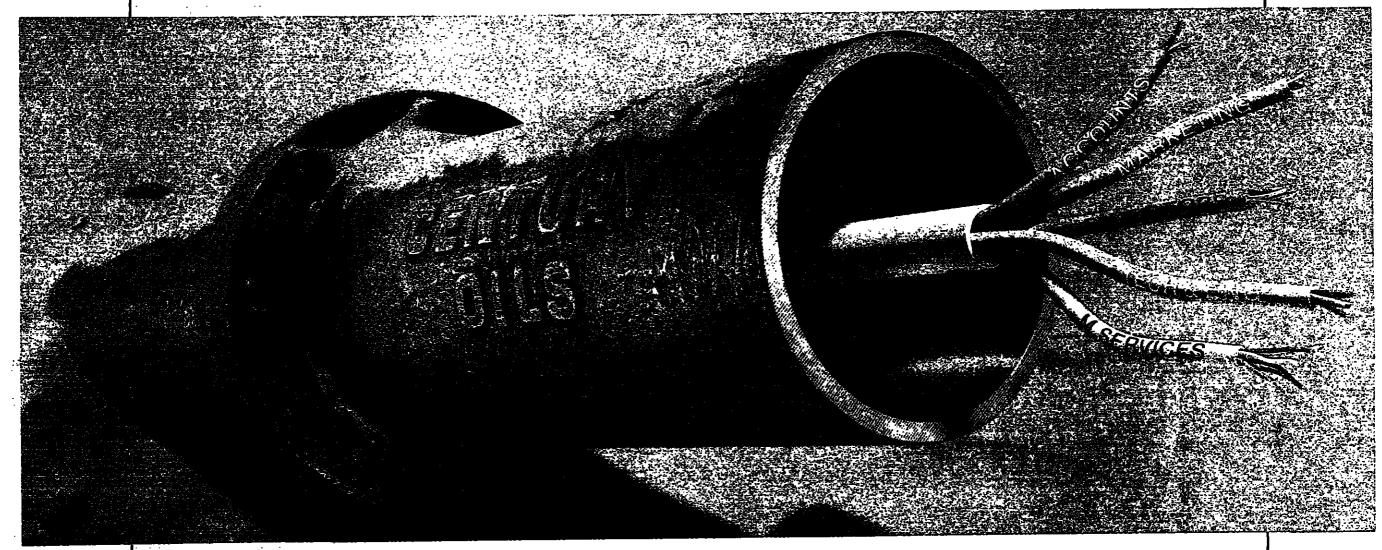
BKME Representative Office 350 Park Avenue, New York City, N.Y. 10022. Tel: (212) 223-8305, Fax: (212) 223-4955



THE BANK OF KUWAIT & THE MIDDLE EAST KSC. Maraya at year Scruice Porsonalla_Siace 1941



To improve their computer communications, we fitted a pipeline straight through Century Oils.



Century Oils had a few words to say concerning their previous communications set up.

The problem was exactly that, too few words. Terminals couldn't talk to each other without going through a central database.

As demand for information increased, demand on the central database increased.

This meant speed of all the information through the various departments rapidly decreased.

Century Oils were speechless.

That's when they decided to have a word with British Telecom.

So how did we help their communications team turn what were silent terminals into little chatterboxes?

The T-NET local area network.

This enabled Century Oils to keep all their existing terminals without having to totally rely on the central database.

So why couldn't any other company do this?

Expertise.

You see British Telecom's knowledge in communications allowed us to redesign the system, and at the same time keep each departments' existing files.

And no other company had the facility to offer a complete package from design and software to installation and training.

All with just a single contact to manage the entire project.

We're now installing further

T-NET systems to give information required for, amongst a great deal of other things, precise control of the manufacturing process.

Which apart from being a very exceptional service for Century Oils, it's an exceptional service for their customers.

But if you think we're all talk, please call us.

In Century Oils' case, all talk is no bad thing.

To keep you up to date with information technology and with what British Telecom is offering, we have set up the Information Exchange. We'll send you full details and an introductory pack.

CALLFREE ON 0800 800 817 ANYTIME.

British TELECOM

It's you we answer to

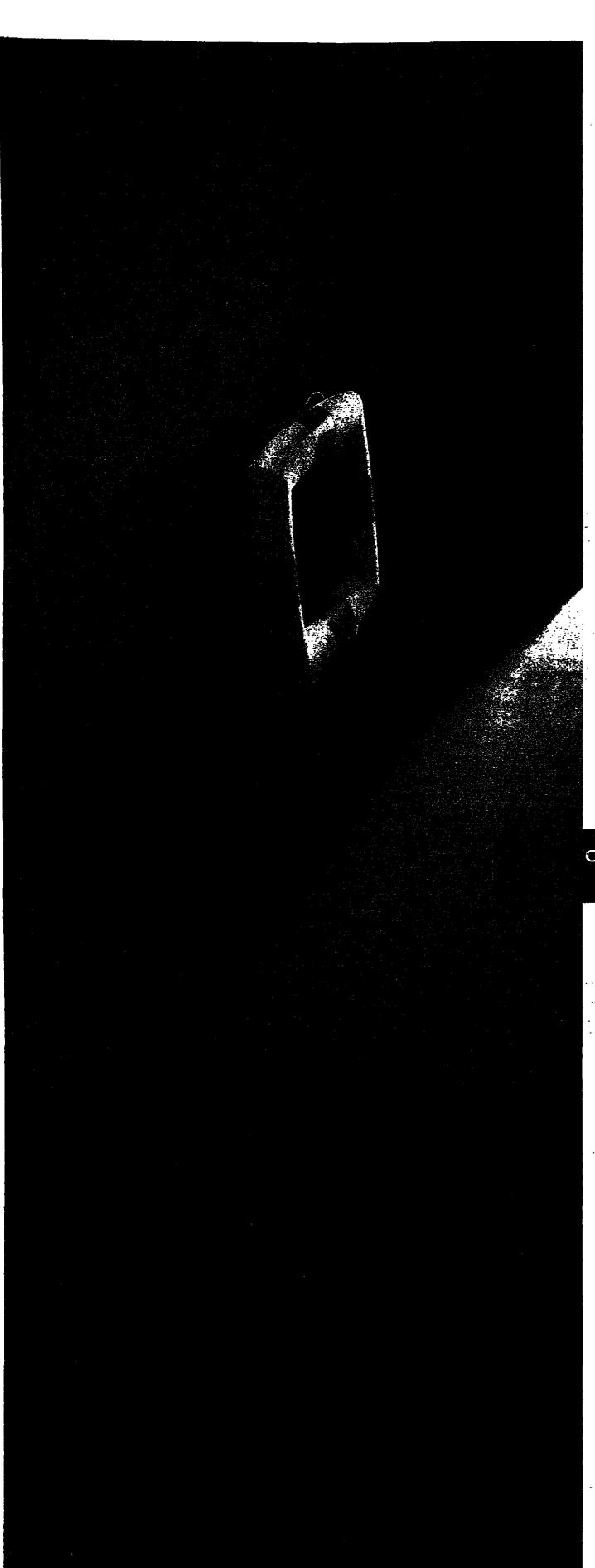
ed in ound usion cospen

Takoner werd, in was spilotte to the state of the state o

foul e Ms Co

DONE EAST

S. A.



In an ideal world nobody would ever need our services.

(Just as in a perfect world there'd be no need for life belts either.)

Unfortunately every month at least 80 of our clients face major problems with one or more of their customers.

you you're

Either their customers have gone bust or are having extreme cash flow problems.

Whatever the reason, they're still unable to pay their bills.

Without us this could leave our clients with a few major problems of their own.

Some would undoubtedly sink without trace. While others might just manage to keep their heads above water.

With our life belt at hand, however, they hardly even notice there's a storm brewing. Because we make sure that up to 90% of the bill is paid.

In fact we pay out over £2 million a month.

Some of the bills we meet are for exporters, who often face particularly risky situations.

Our export service, which has been operating since 1918 and covers over 100 countries, can insure most risks.

Even political ones.

ON AVERAGE, IT'S USED 80 TIMES EACH MONTH.

While our subsidiary. The Export Credit Clearing House, can arrange non-recourse finance to help expand your exports.

Since we're such an effective protection against the problems of other companies, why don't even more companies use us?

The answer, almost certainly, is that they have rather out-dated ideas about our service.

Some think, for example, that we insist on insuring all their customers.

In truth, however, we're happy to tailor a policy to the needs of a company.

We'll insure all its customers. Or just those it chooses.

We can even insure specific contracts.

The flexibility of our service means that the permutations are almost endless.

So there's little doubt that whatever size your business our services are both sensible and prudent.

After all, who else is going to throw you a life belt when things go wrong?

TRADE INDEMNITY



Building output to rise by 3.5% over next year

BRITISH construction output will rise by a further 3.5 per cent next year, mostly based on the large amounts of work already in the pipeline, the National Council of Building Material Producers forecast

EMBER 6 1983

68m

oles

a to a central con-

enatole of Selection

A SECTION OF THE CO. S. FOR THE CO.

CEL DITTER DE LE COMPANIE DE LE COMP

Set Carried Services of the Ca

NO TREE SOURCE TO

Farm 12 per cent
Peter sold its come
to decision to a man
to the come of the
to the come of the
total of the come
to the come of the
total of the
to

N has introduced the

हैं है के किया का किया के कि

Miss in the second

Market of Carlo the year to proper

असे रिक्टिया । अस्त The to see the

three records

TINGS

HC

unsier Pack

المتناز والمناطقة

and. Lorder P.

avai Parkelli

uary

The council, representing about 2,000 companies with annual sales of £17bn, said output, which has risen in every year since 1981, was expected to increase by a further 1 per cent in 1990.

cent in 1990.

Its forecast, however, included an expected 10 per cent fall in the number of house starts next year by pri-vate housebuilders. It said private housing starts would recover in 1990 to about 200,000 compared with 210,000 this

The council said its forecast was based on the British econ-omy achieving a soft landing next year. However, construc-tion output was likely to

Projects such as the Channel tunnel and the Canary Wharf office development in the Dockland area of London's east end would ensure output rose, the council said.

The private sector was expected to fuel most of the growth during the next 12 to 18 months, although construction orders would also benefit from increases in public expenditure announced in the Autumn Statement last month.

Private commercial construction was likely to be fastest growing sector and forecast to grow by a tenth next year, mostly because of some hig office schemes under way or due to start in London, Bir-

mingham and elsewhere. The outlook for retail construction looked less optimistic in contrast to the leisure market which looked strong. Investment in tourism facili-ties during the first six months of this year had increased by 61 per cent to more than £2bn, the council said.

Industrial construction had

risen by 17 per cent this year and was likely to rise by a fur-ther 5 per cent next year. Demand for industrial property remained strong while prog-ress on the Channel tunnel project and other privately financed infrastructure pro-jects would continue to lift

Poll shows optimism in plastics industry

By Peter Marsh

A HIGH proportion of companies in Britain's £10bpa-year plastics industry is increasing profits and expand-

ing plant, a survey shows.

The poll, by the British Plastics Federation, is a sign of the bullish mood in much of the industrialised world's chemimasscialised worms caemicals industry, which in the past year has increased profits considerably as a result of rising prices for many bulk chemicals such as plastics and strong demand from consumer industries such as cars and construction.

163 companies with an aggregate turnover of £3.3bn
— roughly a third that of the
British plastics industry.

More than 90 per cent of
plastics suppliers responding
to the poll prepared in the poll prepared to the poll reported increased profits compared with an earlier survey six months ago.

The poll was taken among

Business Trends Survey, Autumn 1988. British Plastics Federation, 5 Belgrave Square, London SWIX &PD. £25 to non-

The corresponding figure for plastics processors was 61 per

Will the good times last? Page

Stock Exchange's settlement system 'becoming stranded'

THE STOCK Exchange's planned new electronic settlebecoming "stranded" according to Mr Gavin Oldham, head of Barclays Bank's retail stockbroking operation, Barclay-

Speaking at a London conference yesterday he claimed that few small investors would use Taurus which, after delays, will be introduced in stages from 1990. "It is a utopian con-cept for a planned economy." he said, adding that it conflicted with the new competitive world which depended on new ethics of initiative.

The Barclays group is now clashing with the Stock Exchange in two important areas of market technology. The other is that of auto-execution systems for small bar-gains, of which the exchange's own version, called Saef, is to be launched in the new year.

Last month the securities trading arm of Barclays de Zoete Wedd was one of two hig firms (the other was Kleinwort Benson) with their own autoexecution systems which forced the Stock Exchange to delay implementation of a trading rule which would have given advantages to Saef.

But in order to sidesten Taurus more effectively Barclayment system Taurus is fast share will need improvements in the legal standing of its nominee company, which it uses to eliminate most paper work and give a speedy and

cheap service to clients.

Barclays is calling for company law changes to create a new class of "Authorised Nominee" company which would provide a stronger link between listed companies and their small shareholders. At losses of their rights if they hold their investments through a nominee such as Barclayshare Nominees, rather than

directly.

Although most companies are co-operative, and volun-tarily pass on benefits to indi-vidual shareholders, it is possividual shareholders, it is possible for companies to refuse to supply annual reports or to grant full voting rights, while some companies have declined to extend shareholder "perks" to investors through Barclayebara Nominees. share Nominees.

Barclayshare claims that one effect of the proposed change in company law would be "to encourage the spread and balance of the shareholding

Iraqi oil chief predicts revival of Opec influence over prices

MR ISSAM AL-CHALABI, the Iraqi oil minister, yesterday predicted a revival in the ability the Organisation of Petroleum Exporting Countries to exert strong control over the direction of oil prices, but he gave a warning that Opec alone would not shoulder the burden of maintaining oil mar-

ket stability.
Mr Al-Chalahi was speaking at a conference on The Outlook for Oil, sponsored by the Financial Times. Mr Al-Chalahi said that Opec would no longer accept a role as residual supplier to the market while other producers were producing at capacity, but would expect non-Opec oil exporters to share some of this burden. He said that Opec members had learned from the past that nei-ther exceptionally high nor exceptionally low prices were

in their interests.

Iraq intended to observe the current production agreement.

Its export capacity would rise to 4m barrels a day next year, and would pursue a policy of maximising revenue. The agreement was an important springboard towards establishing a long-term strategy for the cartel which, he said, was criti-cal to Opec's future.

Mr James Schlesinger, the former US Secretary of Defence and Energy, who chaired the

session, predicted, however, that last week's Opec produc-tion agreement would break down because of competition among members of the cartel. His main message, however, was that Opec predominance over markets would return strongly in the 1990s because of a gradual increase in oil cona gradual increase in oil con-sumption, currently at about Im barrels a day (b/d), along with falling US production. By the mid-90s, he said, US oil imports would reach 12 to 13m b/d. "We Americans, despite ourselves, are doing our best to restore cartel power," he said. Mr Ian Seymour, editor of the Middle East Economic Sur-vey said Once had solved two vey, said Opec had solved two of its main outstanding problems: the fran-fraq quota prob-lem, and the definition of natu-ral gas liquids. However the problem of quota discipline

unrealistic.
It was likely, however, that
the UAE would reduce its production, currently in excess of 2m b/d, to the region of 1.2 to 1.25m b/d, and that other Opec members might be willing to look the other way. Mr Mikhail Styrikovich and

remained because the quota for the UAE, at 968m b/d, was still

Dr Yuri Sinyak, energy experts at the Soviet Academy of Sci-ences, sald Soviet policy called for level oil exports in future

years because of the importance of oil to Soviet foreign exchange earnings. Oil exports would be maintained even at the expense of causing constraints to domestic supply. where energy needs would be meet by increasing the supply

of natural gas.
Soviet oil reserves remained abundant, but higher levels of investment would be required

in future years to maintain production.
The Soviet Union expected to increase overall energy exports by increasing sales of coal and

natural gas, with possible gas exports by way of pipeline to Japan or South Korea. Mr Noram Davidson Kelly, director of corporate develop-ment of the London and Scottish Marine Oil Company, cast ing almost any aspect of the oil business, including oil prices. reservoir performance and future fiscal policies. All had proved to vary widely against expectations in the industry.

expectations in the moustry.

Mr Peter Gaffley, of Gaffney, Cline, and Associates, said
that despite the poor price
environment the North Sea
appeared to have a bright
future, in particular because of opportunities in the gas mar-kets. Inventive exploration and development would continue to provide substantial rewards.

Semiconductor price fall 'curbs market'

By Hugo Dixon

A DRAMATIC fall in semiconductor prices will limit the growth of the UK's electronic components market to only 7 per cent next year, seconding to a forcest purpose.

according to a forecast published yesterday by the Afdec, the industry's trade body.

Afdec is predicting that the electronic components market will be worth £1.85m at manufacturers, research 1.00 71 per facturers' prices in 1989, 7.1 per cent up on the 1988 figure. It estimates that the market

grew 18.8 per cent this year, largely as a result of the increase in semiconductor prices brought on by the world-wide shortage of memory

Manufacturers of memory chips, particularly in Japan, are now ramping up their pro-duction and, as a result, Afdec expects their price to fall by about 30 per cent next year. "In volume terms, the mean-

ory market is still going leaps and bounds," said Mr Gary Kibblewhite, chairman of

If this happened, prices would fall by substantially more than 30 per cent.
A further factor behind Afdec's forecast of lower

cuts meant that this part of the

growth in components is the generally weaker macroeco-nomic outlook. This has contributed to a fall in the book-to-bill ratio of the component distribution indus-try to below 1 for every month since April. This means that

existing orders.

Afdec is predicting that the components market will pick to again in 1990, growing by 13.7 per cent, as memory chip prices begin to stabilise. Afdec statistical forecasts for 1989; Africc, Owles Hall, Owles Lane, Buntingford, Herts SG9 2011, 1982

However, prospective price

market would only grow by 10 per cent in terms of value. Mr Kibblewhite also gave a warning that there was a danger of manufacturers flooding the market with more than it new orders are lower than

Notice to Lombard Depositors 11-750% | 9-018% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% | 12-024% CHEQUE SAVINGS ACCOUNTS Minimum Initial deposit \$1,000 10-250% 7-867% 10-489% When the belence is £1,000 up to £4,998 8-250% | 6-332% | 8-443%

The Mersey's new investment banks

rebling the size of Merseyside Development Corporation's area provides exciting opportunities for investment.

The internationally acclaimed Liverpool Waterfront pointed the way. The Development Corporation had the foresight and the plans and the private sector seized the opportunity.

Today new enterprise flourishes thousands of new jobs have been created in hundreds of businesses within an area where millions choose to spend their leisure time.

Commitment and investment have turned visionary projects into reality.

Now Merseyside Development Corporation is poised to break further new ground in Wirral and Liverpool. More areas on both banks of the river are being opened up for enterprising new businesses.

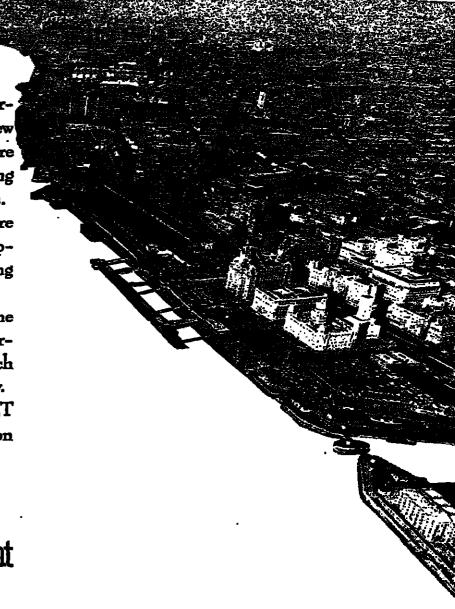
The Mersey Waterfront has more potential than ever before. Future developments will rely on the same winning formula - vision and investment.

If you are hungry for success the Mersey's banks are the investment opportunity of the 1990's. It's a future in which you will have a leading role - starting now.

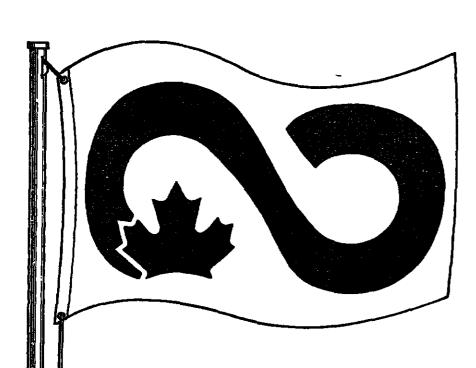
Profit from our experience - GET THE FACTS - Call Alex Anderson on 051-236 6090.



Royal Liver Building, Pier Head, Liverpool L3 1JH Telephone: 051-236 6090 Facsimile: 051-227 3174



We're flying a new flag



AECL Radiochemical Company is now known as Nordion International Inc.

We've got a new name. A new corporate identity. But we're continuing the entrepreneurial mission of excelience and innovation that built our global reputation for leader- ing the sick. In understanding ship over the last 42 years.

Introducing Nordion · International Inc., formerly the Radiochemical Company division of Atomic Energy of Canada Limited.

Nordion International Inc. A pioneer in developing, producing and marketing prod- Leader. We think that's worth ucts used in medical diagnosis, waving our flag.

health care and other lifeenhancing processes.

Our products are used around the world in learning more about disease and treathow our bodies work. In sterilizing disposable medical supplies and purifying wastes. And in a variety of other research and industrial activities.

Nordion International Inc. Pioneer. Innovator. World



Toward's a Better World 447 March Road, P.O. Box 13500, Kahata, Onlario, Canada K2K 1X8

UK NEWS

Keeping Brel on the right track

Kevin Brown on why a British Rail unit is attracting bidders

HIS week, copies of the annual results of British Rail Engineering (Brel) will land on the desks of Lord Weinstock, managing director of General Electric Company, Sir Nigel Broackes, chairman of Trafalgar House, and Mr Percy Barnevik, chief executive of Assa Brown Boyeri, the 30 to December 21. Weinstock, managing director of General Electric Company, Sir Nigel Broackes, chairman of Trafalgar House, and Mr Percy Barnevik, chief executive of Asea Brown Boveri, the Swiss/Swedish electrical engi-neering group.

The results, which will show

a significant improvement in Brel's performance, are likely to intensify a lengthy takeover battle in which these three companies have emerged as

the key players.
Mitsubishi of Japan and General Motors of the US were among about a dozen potential buyers which expressed an interest in Brel when the company was put up for sale by British Rail – on government

orders – late last year.

In the event, all but two groups dropped out before the initial bid deadline on October 7. The only firm bidders turned pany of the UK (GEC) and a management and employee buy-out consortium (MEBO) headed by Mr Peter Holdstock, Brel's managing director, with backing from Trafalgar House

From Lord Weinstock's point of view, the sale of Brel offers an opportunity to expand GEC's successful interest in the railway equipment market, in which GEC Transportation and GEC Traction are already significant suppliers.

and ABB.

It also makes sense for GEC to do whatever it can to prevent ABB – one of the world's biggest railway equipment companies - from establishing a strong UK base. However, GEC is fighting an

uphill battle against the MEBO consortium, which has the advantage of support from the existing management and

The consortium faced two main difficulties. First, BR decided to move the end of Brel's financial year forward from March 31 to coincide with the closing date for initial bids on October 7. This meant that the six

senior Brel managers who are leading the MEBO consortium were forced to prepare the results at the same time as putting together a complicated bid for the company – a dual role which proved impossible. There was also a more seri-

ous difficulty. The original structure of the consortium provided for the management and employees to hold a con-trolling stake of 51 per cent in the privatised company, with the balance held equally by Trafalgar House and ARB.

This structure, which would have left control of the company clearly in British hands, had to be scrapped when, towards the end of the talks, BR decided that it would require hierarchy than expected. require bigger than expected financial guarantees from the privatised company.

These guarantees, which would demonstrate the ability of Brel to finance completion of existing and future orders, would require access to more funds than would be available

to the MEBO team.

As a result, Trafalgar House and ABB have agreed to provide the guarantees, but have insisted on a change in the shareholding structure of the consortium which will reduce the MEBO stake to a minority 20 per cent, with the balance held equally between the two The three parties have not yet agreed on a mechanism for future changes in the share-

holding structure, but talks continue in an effort to solve this before the bid deadline. An agreement is believed to have been reached, however, management in the hands of the existing management.

Brel was never likely to attract a flood of bidders. The company lost 26.8m in the year to March 31, up from 25.3m in the previous year. In addition, some of its four works in Derby and Crewe in the north Midlands and York in the north east of England are overstaffed and some redundancies are inevitable.

The company has also had difficulties in adapting to the introduction of competitive tendering by BR, which provides almost all the company's work. The loss on competitively-tendered work amounted to £10.9m last year, offset by a profit of £4.1m on work not offered to other companies.

All this has taken place during a period in which the company has been restructured by British Rail, with some works sold, others closed and the workforce cut in six years to 8,000 from \$1,000 six years ago.
On the other hand, the reorganisation is beginning to bear fruit – production of Class 321

electric multiple units at York is running four to six weeks In the longer term, Brel is well placed to benefit from the "new railway age" which most railway managers believe the industry is entering.

For example, the company

has a stake in the Anglo-French-Belgian consortium which is almost certain to win the £400m contract to build high-speed trains for the Chan-nel tunnel, and is also involved with GEC and Alsthom of

France in a separate consor-tium seeking the contract to build shuttle trains for Eurotunnel, the tunnel promoters.

There are several other promising developments:

Brel will be a bidder for

the fl.6bn which BR is planning to spend on new rolling stock in the next five years.

There is also likely to be a large investment programme by London Underground, which will have to be split between a number of suppliers to ensure suck delivery.

to ensure quick delivery.

Brel is talking to the promoters of light rail projects in several UK cities where new systems are being considered.

Much of the formerly heavy demand for repairs and maintenance on BR locomotives has disappeared, but Brel has had some success in attracting diesel repair work

attracting diesel repair work from other sources, such as the Defence Ministry.

Export markets have been identified in a number of countries, including India, China and the Soviet Union, where technology transfer could follow. technology transfer could fol-low rolling stock sales.

rafalgar House could also give Brel access to the proposed high-speed line from London to the Channel Tunnel, which Trafalgar is interested in building pri-

The prime attraction of the deal for ABB is thought to be Brel's low-cost production of body shells and units - the two production lines in Crewe could be used to satisfy ABB demand, for example. The MEBO consortium has

told the Government that its bid represents the best combi-nation of management continuity, workforce support and strategic planning. At the end of the day, however, ministers may be most impressed by the political attractions of the consortium's promise to keep all four existing works open.

Common basic Vat rates urged for EC

By Guy de Jonquières

DIFFERENCES between value added tax rates in the European Community can be prevented from distorting compe-tition after 1992 if countries agree simply to set common minimum rates, according to a report by the Institute for Fis-cal Studies.

The report, prepared for the Round Table of European Industrialists, says such a system would be preferable to the EC Commission's controversial proposal to group national Vat rates into two bands.

The Institute argues that the Commission's proposal is needlessly restrictive. It says all that is required is action to stop countries undercutting each others tax rates, and that they should remain free to set maximum rates at whatever level they chose.

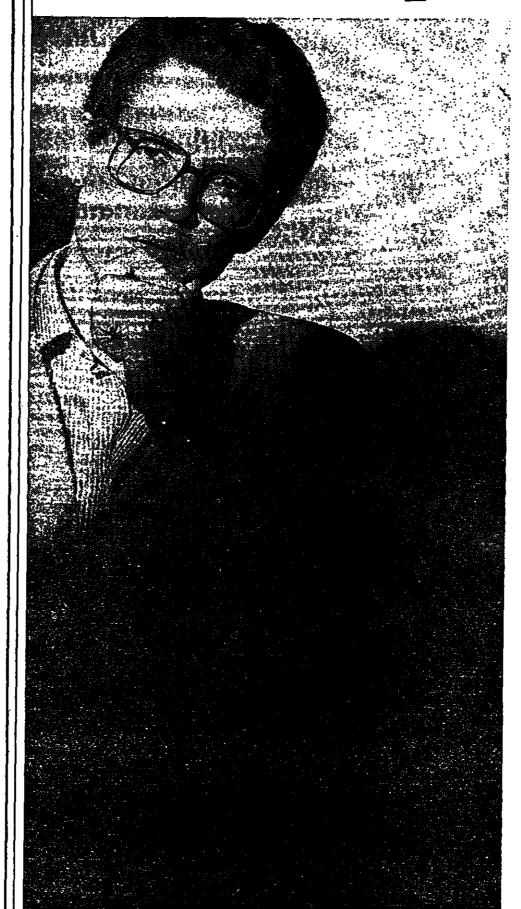
The report also criticises the Commission's plan for a clearing house to re-distribute Vat ravenues between national governments after internal EC frontier controls are abolished.
It says the clearing house will reduce the incentive for governments to detect Vat

Harmonisation of excise duty rates will be unavoidable after 1992 unless agreement is reached on alternative admin-

istrative arrangements, it adds.
Different national excise
rates could continue if tax stamps are used for dutiable goods, or if the EC allows excise rates to be set by regional groupings of countries

Opening up the tax frontiers; institute for Fiscal Studies. The Round Table of European Industrialists, 15 Rue Guimard, 1040 Brussels, Belgium.

How can I build capital easily?"



Save with Flexi-Saver

If you're looking to build capital easily you should take a close look at Flexi-Savet, a brand new scheme from Scimitar. the investment arm of Standard Chartered.

Flexi-Saver enables you to save into equities, bonds or currencies, thus giving your savings a wide scope for growth.

·How does it work?

Flexi-Saver is simple. You make regular monthly payments to the value you want.*

It's flexible. You can save for as long or as short a time as you like, make lump-sum payments, and you can even suspend the plan temporarily.

Flexi-Saver offers you the choice of five offshore Scimitar Funds covering the world's major equity, fixed income and currency markets:

- Equities Pacific Basin and Worldwide Funds.
- Fixed Interest Worldwide Bond Fund. Currency - Managed US Dollar and Managed
- Sterling Funds.

But, perhaps most importantly of all, you should invest in Flexi-Saver because it offers you double protection. As well as having the backing of Standard Chartered, Scimitar's new plan will be underwritten and administered by Sun Alliance - one of the leading international insurance groups.

Flexi-Saver - more straightforward than most.

If you'd like your money to start working for you quickly, fill in and return the coupon below.

Then we'll send you our brochure together with your application form. Alternatively, call in at your local Standard Chartered Bank.

 Minimum monthly contribution is £100 or US\$150. Vecessary information, for your understanding and protection:

nitar Asset Managament (CI) Limited is not an Auch grantions made under the Prosected Services Act for the protection oder the Punch may not be protected by the UK Investors' Comp

Please send me the Scimitar Flexi-Saver Brochure and application form

When you have completed the necessary details below send to: Scimitar Flexi-Saver, P.O. BOX 77. Phoenix House, New Street, St. Peter Port, Guernstey, Channel Islands, Tel: 0481 23539: Telex 4191174: Fax: 0481712424.



DECEMBER 5

mmon

es urged

RENCES STREET

tar many and

ATTEN TO SEE STATE OF THE SECOND SECO

WIND!

S STATE CONTRACTOR THE PARTY OF THE P

Miles 3-12-92

THE RESERVE THE PARTY OF THE PA

tales with the

CHE APTITION TO

Merca: Labora S

MR 12124 1: 23 mg

Charles and the second second

A WAR STORY

Mar Most - Comment

ma or a

gents, which is not to

Recording to the second

<u>च्युंदेश</u> १७७०

15 - - -

Section 1

20 T

Contract to

1 Page 1 gyggi blir 🗻 Radical reforms to reduce the

communist party's role in the economy and reshape the

country's trade and industry are now in place. But converting from a centrally-planned economy to a market-oriented system will be far from easy. Judy Dempsey reports

The party is over .

THE AFTER MONTHS of debate, interrupted by ethnic unrest and nationalist tensions, the Yugoslav authorities are embarking on an apparently radical economic programme which could reshape the country's trade and indus-

The reforms, included in amendments to the 1974 Constitution, and designed to make the economy more mar-ket-oriented, also attempt to hreak the unwieldly power of the bureaucracy and of the six republics and two autonomous

Those reforms were for months overshadowed by a hit-ter dispute between Mr Slo-bodan Milosevic, the party leader in the republic of Serbia, and the leadership in the southern province of Kosovo.

Since 1974, Kosovo has been constitutionally linked to Serbia but enjoyed many of the rights of the other Republics. But by amending Serbia's own constitution, Mr Milosevic hoped to integrate Kosovo into

His plans, however, re-awak-

ened deep suspicions of Ser-bla's intentions among some of the other Republics, most notably Slovenia and Croatia. They objected on the grounds that it would give Serbia greater polit-ical influence throughout the

This was precisely what the late President Tito sought to avoid in the 1974 Constitution which weakened Serbia's power by creating the prov-inces of Kosovo and Vojvodina in the north. But a determined Mr Milosevic, spurred on by his Serbian nationalist sup-porters, accused the Kosovo leadership of not protecting its Serbian and Montenegrin minorities against alleged intimidation by the ethnic

Albanian majority. After months of mass dem-nstrations by Serb nationalists, the changes in the Serbian constitution were eventually made and accepted by the

Following this decision, the Federal party leadership has pressed ahead with the separa-tion of communist party and state which, in theory at least,



هكذامن الأحمل

YUGOSLAVIA TRADE & INDUSTRY

will enable the Federal govern-ment to push through economic reforms applicable to all the republics and provinces. Under the outgoing system officials could hold posts in

both party and state simultaneously. As a result, the state had little real authority or power to implement policies. Nor were the economic functions of the state strictly defined. However, a Federal meeting of the party's central committee last October decided to delineate responsibilities, so as to claw back some authority for the state and reduce the party's role in the running of

This involves dismantling the system, whereby key economic positions, such as managers of the large enterprises had been earmarked for those better known for their loyalty

to the local party elite than for competence or expertise.

Tacit acceptance of the

party's continuing, if not per-vasive, influence in the economy has, in the past, manifested itself in many ways. Most obviously and commonly, patronage and good old fashioned nepotism, the extended family and loyalty to it, has often helped cover-up poor economic decisions and badly-run enterprises, as occurred in the Agrokomert crisis in the summer of 1987. The issuing of mer of 1987. The issuing of unbacked promissory notes, which apparently had been known for some time, revealed a network of patronage reach-ing up to the party leadership. Clearly, the state will require considerable tenacity, courage and competence, to push through reforms which upset

these cherished old traditions.

Other reforms include liberalising the latest joint venture legislation, creating greater independence for the banks and allowing enterprises to raise capital. This is crucial for the future development and modernisation of the industrial base since one of the main problems of Yugoslavia's economy in recent years has been a

sharp decline in capital invest-

ment in key areas of potential

This has been partly due to soaring inflation, a debt exceeding US\$20bn, and the federal government's inability to put a squeeze on consumer spending, and the power of the individual republics to pursue

their own economic projects.
Yugoslav economists believe that a worrying drop in gross investment - 4 per cent in 1987 and 5 per cent in 1988 - is a

measure not only of the growing obsolescence of industrial machinery and equipment, with a subsequent decline in the country's competitiveness, but also of the deteriorating quality of the economic and social infrastructure.

In fact, the state of the infrastructure, including roads, housing, hospitals, transport, hotels, the sewerage system and the environment generally, is now regarded as one of the most serious problems affecting not just Yugoslavia but all of Eastern Europe.

Yugoslav economists blame this investment decline on the "complete misuse of hard currency credits" as well as the lack of any public accountability to monitor the use of these funds. Such explanations are confirmed by the giant steel works of Smederevo, close to

Belgrade. White elephant projects designed to reinforce political power bases in the republics, have too often substituted for economic planning. Given these conditions plus restrictions on borrowing hard currency, the Yugoslav author-ities this year were forced to boost foreign investment

incentives, such as the new joint venture legislation. It will enable foreign companies to repatriate profits, select their own management and workforce, and disregard the

much-vaunted principle of workers' self management. Yugoslav officials admit that converting the centrallyplanned economies of the republics and provinces to a more market-oriented system will be far from easy. The Republics and particularly their party organisations and

CONTENTS Banidng: new independence

titures: changes to woo toreign investors Trade: anxiety over Single Europe: Comecon imbalance 3

Agriculture: private potential Tourism: quality emphasis

communes on the local leve will in future have to be held to the logic of the market and the rule of law. The party will undoubtedly lose its clout at the local level, where patronage, nepotism and a myriad of vested interests prevail over economic rationale. And the party will have to share the costs for years of economic mismanagement and "bureau-

Yugoslav economists believe that the reforms, if they are to bite, will eventually shake out the old and inefficient industries. This will exacerbate unemployment, now running as high as 50 per cent in some parts of the country, especially in the less-developed southern republics. Economists say that both party and state institu-tions will have to set up special social funds for re-training, for re-deploying labour and for the unemployed. In addition, they stress that in future, the rule of law will have to prevail over political interests.

Foreign investors who feel restricted by the local bureaucracies, must be enabled to challenge interference as well as repatriate profits.

in the short term, Yugo slavia seems to be going through a breathing space. Exports to hard currency countries over the past ten months have risen by 15 per cent. Unexpectedly high growth in

the West German economy has boosted imports of Yugoslav goods. The dinar, the Yugoslav currency continued to depreci ate, although some economists believe it is now undervalued. Inflation running at 270 per cent of control of the control of th cent, a squeeze on consumer spending caused by high tariffs on imported goods and wage controls have helped boost exports. Economists are unsure how long this trend will last.

But one thing they are sure about: however much the republics and the Federal government have had to compromise on some aspects of the reforms, they are now in place. As for their implementation, few economists dare predict the social and political consequences for Yugoslav society.

BSE Genex.

Yugoslavia's global expertise — 40 years in the UK - 1948-1988.

BSE Genex Co., amongst the 300 largest companies in Great Britain

Trade. Finance. Compensation & Barter. Tourist Industry.

We are the UK subsidiary of Generalexport, the giant Yugoslav international trading company with a turnover of more than US \$6 billion, covering a wide range of diversified global activities. Worldwide we handle no less than 13 per cent of all

Yugoslav exports. In the UK we are responsible for more than 50 per

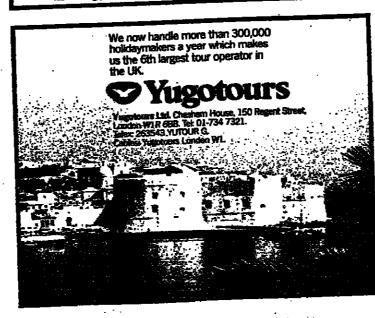
cent of all Yugoslav exports to this country. In 1987 our turnover reached a record US \$700 million.

- ☐ Petroleum and derivatives ☐ Ferrous and non-ferrous metals
- ☐ Chemicals and plastics
- Machinery
- ☐ Civil engineering
- ☐ Cars
- □ Tyres ☐ All types of vessels
- ☐ Pharmaceuticals □ Telecommunications
- ☐ Livestock and meat
- ☐ Food and drink □ Textiles and clothing
- □ Leather
- ☐ Footwear ☐ Crystal and china
- ☐ Glassware and ceramics ☐ Paper products
- ☐ Furniture
- ☐ Sports equipment
- ☐ Consumer electronics

BSE GENEX CO LTD.

Heddon House, 149-151 Regent Street, London W1R 8HP Tel: 01-734 7101 (9 lines) 01-734 8711/2/3. Telex: 28135, 24581 genex ion. Cables: GENEXLON.





Parent company:

Generalexport

International Trade Company 11070 Beograd, Yugoslavia, Narodnih Heroja 43. P.O. Box 636. Tek (011) 691-512, 694-012. Telex: 11228, 11848 yu genex: Cables: Genex Beograd.

Yugoslav expertise in global trading

Ready for changes

Yugoslav economic system is undergoing several changes including new banking egistation. This would certainly bring new business opportunities. Surely a challenge for commercial banks.

We are looking forward to it

Third Yugoslav bank in asset terms Nearly one quarter of country's international

421 offices nationwide

York, major shareholders in Adria Bank, Wholly owned subsidiary L Vienna and in LHB Internationale Handelsbank, Frankfurt

19 representative offices on 5 continents 1,172 correspondents in 128 countries

Ljubijanska banka-Associated Bank

Trg revolucije 2, P.O. Box 534, Tel.: 61/215 511, Tx: 31256, Fax: 61/222 422

Headquarters:

Tel: 42251258

ljubljanska banka

ETALKA is a commercial, production and service company with a broad network of branch offices and subsidiaries throughout Yugoslavia, Eastem and Western Europe as well as in the U.S.A.

s Yugoslavia's foremost enterprise of its kind, METALKA conducts most of its business with foreign partners in the business with foreign partners if a read of metallurgy, non-ferrount product tools, machinery and equipment, products of metal processing industry and performs constructional, technological and informa-

engineering. METALKA also represents over 40 foreign companies in Yugoslavia.

or more than 30 years, METALKA has been enjoying quite a high profile in the Soviet and Eastern European markets as well as gaining a reputation as a successful business partner and an "economic mediator" between East and West, and becoming actively involved in a very diverse economic palette ranging from raw materials to long-term co-operation in engineering.

@ metalka

Trgovsko in proizvodno podjetj METALKA, n.sol.o. 61000 Ljubljana Dalmetinova 2 Dalmatinova 2 Telephone: (061) 311-155,327-261 Telep: 31395 yu metali Telegramme:metalka Ljubijana Post Box: 01-202 Telefax: 328-242



The National Bank of Yugoslavia: about to exercise greater control over monetary and flacal policy

Radical reforms will shortly allow banks to take a . . .

Key step to independence

AFTER MONTHS of discussion and debate. Yugoslavia's bankers are about to embark on a radical course designed to give them greater independence. Banking reforms, which are

part of the amendments to the 1974 Constitution, will dismantle a system which has tied the banks to enterprises. The changes are due to come into effect in the New Year. Under the present system, banks are divided into several categories: internal banks, saving banks, basic banks, associated banks and the National Bank of Yugoslavia. These are organ-ised under the umbrella of "self-management" principles which means in practice that they are founded, managed, and closely tightly-controlled, by the representatives of the

socialist-run enterprises. Such a relationship can resemble a share-ownership system, given the fact that the banks form their assets from the enterprises' deposits as well as from credits from the central bank and foreign banks. In many cases, the bank's resources are ploughed

INTERTEKSTIL

INTERGRAFIKA

FERIAL 10th International Days of Tourism

AMBIENTA

Yegoslav Travel Trade Feir INTERKLIMA

INTERBIRO - INFORMATIKA

10th International Exhibition of Heat Air-conditioning, and Sanitary Equipment

back into the enterprises. But the bank has little choice. It can neither extricate itself from the enterprise, or buy it out, nor even merge with another bank or enterprise. Its assets are simply not transferable. Divorce is not permitted.

Thus, while the enterprise, in theory at least, invests in the bank, simultaneously, the enterprise acquires the right to manage the bank and is represented on the management boards of the banks.

"That relationship between the internal bank and the local enterprise evolved, in many cases, into an incestuous and corrupt relationship," according to one Belgrade banker. For example, the bank is rarely in a position to deny credits to

the enterprise. on the management board, he can hardly refuse himself credits, can he?" a banker explained. A refusal can render the enterprise unable to pay the workers' salaries and provoke social unrest. And for obvious reasons, the enter-prises are reluctant to declare

zagreb fair

INTERNATIONAL EVENTS

PROGRAMME IN 1989

al Printing and Paper Industry Fair

294 INTERNATIONAL AGRICULTURAL AND POOD

31st International Small-Scale Industry and Crafts Fair

International Offer of Tourist Trade
TURISTINVEST - Tourist Equipment, Technology and Engi

Programme GASTROFEST - Gastrosomy and Culinary Programme SPORTEKS - Programme of Sports, Camping and Leisure-time

Equipment
INTERNAUTIKA - Programme of the Nantical Tourism Equipment
INTERDISC - 14th International Show of Sound and Picture

INTERLIBER-EDUCA
9th International Exhibition of Books and the Bookshop and Library

INOVA '89
17th Exhibition of impovations, Technical Advancements and Novelti 18-23 Ag

ADVISUE OF A PARTITURE, Interior Decoration, Tradect Industric Equipment, and Garden and Home Fair 9-13 Max

nai Exhibition of Heating, Cooling, Ventilating and Sanitary Equipment 1-5 September

RBIRO - INFORMA I INA International Exhibition of Information Handling Equipment, munication Systems, Data Processing and Office Equipment 17-20 Outober

41020 Zagreb Yu

Av. B. Kidriča 2

Tel. (041) 511 666

Telex 21 385 zv zg yu Telefax (041) 520 643

Zagreb Fair

ZAGREB FAIR WHERE YOU GO IN YUGOSLAVIA FOR BUSINESS

zagrebački velesajam .

124 INTERNATIONAL FAIR OF MODERN TRANSPORT AND COMMUNICATIONS 18-

MEDICINE AND TECHNOLOGY

[7th International Exhibition of Medical Equipment, Plas
and Laboratory Equipment

THE ZAGREB INTERNATIONAL AUTUMN FAIR

ational Exhibition of Teaching Aids and the Training and

16th International Fair of Textile and the

324 INTERNATIONAL LEATHER, POOTWEAR AND CLOTHING WEEK

37th INTERNATIONAL CONSUMER GOODS FAIR

ing and Reproduction Applicators.

"If the enterprise director is

Japanery 31-February 3

21-24 Fahrmer

14-18 March

18-23 April

18-23 April

18-23 April

18-23 April

18-23 April

9-13 May

23-26 May

7-10 Jan

themselves bankrupt or make some of their workforce redun-

Yugoslav bankers agree that the system has created little public accountability and more importantly, it has not kept a strict enough check on economic performance.

As they explain it: "The banks and enterprises are simply too dependent on each other. If the enterprise is making losses, it turns to its own bank. That bank is often forced to raise loans from other banks. The more the bank borrows, the more its liquidity is strained. It ends up in a very vicious circle."

The new legislation entails divorcing the bank from the enterprise, making of it an independent, functioning insti-tution not beholden to the demands of the local enter-

More importantly, bankers hope to shed all the vestiges of enterprise management from their own boards of manage

"Of course, if the enterprise is a shareholder, he will have rights. But now, the question things which were not part of the banking or enterprise vocabulary in the past, will prevail. The old ties will be broken."

The reforms will force enterprises to take a hard look at their own books knowing that they can no longer rely on the local bank manager. Bankers, in turn, will be able to exercise more discretion.

more discretion.

On a more national if not international level, banks will be able to raise equity and capital. But. at the same time,

they will be required to tighten their minimum reserves and be subject to much closer control by the National Bank.

Often described as a depart ment of the Finance Ministry, it maintains the general liquidity of the banking system but not that of individual commercial banks. In addition, it acts as monitor, supervisor and final guarantor of the banks in effect, a lender of last resort.

The National Bank also prescribes the legal reserves of banks for maintenance of liquidity. In the past, banks had to deposit 4 per cent of assets with the central bank.

But under the terms of the Constitutional amendments. and pending legislation the National bank will exercise greater control over monetary and fiscal policy, the money supply and interest rates.

Yugoslav bankers and economists admit that the reforms will be difficult to implement. They say that the transition to independent banking will not be easy. Managers will in future have to adopt a more market-oriented attitude towards running their enter-prises. After all, they will no longer be able to rely on the once cosy relationship with

Bankers argue that these reforms should at least begin the process of shaking "bad loans" out of the system. In the words of one bankers, "the old days where the manager could grant himself credits, are, hopefully coming to an end. We are on the road to real banking."

Judy Dempsey

PROFILE: GENEX

The will to succeed

GENERAL EXPORT, Genex for is particularly strong in the short, has sustained a steady 7 UK. Last year, it handled to 9 per cent annual growth in turnover over the past decade, expected to culminate this year in a record \$6.5bn, up from \$6,048m last year.

Genex activities include domestic and foreign trade but also in tourism, hotels, catering, aviation, industrial and agricultural production, and

finance.

Genex is personified by Mr
Miodrag Savicevic, its dynamic
president, Miki to friends, who has proved a remarkable survi-vor over the past 15 years, warding off countless highly-placed aspirants for his job, and many attacks on his unor-

thodox methods. Genex accounts for 12 to 13 per cent of total Yugoslav foreign trade. In is particular active in trade both ways with the UK, with Middle East countries, with the GDR, and with Scandinavian countries. It maintains a large network of maintains a large network of representative offices and wholly-owned companies abroad, including (in the UK) R.S.E. Genex Co.Ltd. and Zastava (G.B.) ltd., and various Yugotours offices; (in West Germany) Combick, (in Scandinavia) Jugoskandia, and (in the US) Impex Overseas Corp. Within Yugoslavia, the organisation is subdivided into eight foreign trading divisions.

eight foreign trading divisions, one wholesaling and one retailing division, as well as six tourism divisions. The eight foreign trading divisions cover between them agriculture, investment equipment, chemicals and petroleum products, metals, textiles and footwear. timber and paper, glass and

ceramics.

Perhaps the best known offspring of Genex is Yugotours which brings foreign tourists in Yugoslavia. It operates in many European countries but nearly 700,000 tourists. Genex's own charter airline,

Aviogenex, carries Yugotours' clients, almost 600,000 of them, last year. It has been replacing its Soviet made airplanes with Boeings, of which it will eventually have seven, some of them new 737s. Yugotours also uses two other domestic air carriers, Yugoslav airlines Jat, and Adria airways.

Genez portfolio also includes the Beograd Intercontinental hotel, Belgrade's only de luxe hotel, which it plans to extend very shortly. The work is due to be finished in nine months time - in time for next year non-aligned summit in Bel-

Genex has recently begun investing in winter sports facil-ities and hotels on the beautiful Kopaonik mountain less than 200 miles south of Bel-grade. Three hotels and an apartment settlement have been built to provide over 5,000 beds. The Kopsonik skiing centre has also been equipped with 20 cableways and 44 kilo-metres of skiing pistes. It is already fully booked for the

1968/89 winter season.
The most recent addition to the Genex family has been the Genex-McDonald's joint venture established last year with one fast food restaurant in Bel-grade, and plans to open another 21 more gradually over the next few years in Belgrade

and other Yugoslav towns.

Genez and its president have been proving that determined people who know what they want and have the expertise can succeed even under the adverse conditions which have long prevailed in Yugoslavia. Now that economic reform is imminent, Genex should be among the first to benefit.

Aleksander Lebi

INDUSTRIAL JOINT-VENTURES

Changes to woo investors

foreign investment and capital, the Yugoslav authorities have introduced sweeping changes to their joint-venture legisla-

tim.

The changes, part of a much broader reform package, are a desperate attempt to rebuild the economy, moderniae industry and repair an appalling

And in order to attract potential outside investors, the Yugoslavs have killed off several sacred cows, including workers' self-management, which in the past, prevented enterprise managers making independent decisions.

The joint-venture legislation, designed to make Yugoslav enterprises more market-ori-ented, should take effect from the beginning of 1989. It focuses on certain key areas: duty free zones, services, and small enterprises, both in the socialist and privately-run sec-

In future, any Western company will be permitted to own, virtually wholly, enterprises set up in the free trade zones, of which there are already 19 cattered throughout the coun-

Yugoslav officials admit that the maximum share held by a foreign company has not yet been fixed. "Some want a token 1 per cent to be held by the Yugoslav partner", says Mr Cedomir Kovacevic, one of the main architects behind this

But of more immediate importance for the investors, (and a problem shared by other countries in Eastern Europe) is the question of the rights granted to those willing to pour money into the Yugoslav

"Any foreign investor in Yugoslavia will have rights equal to those of his partners in the West. He will, for instance, be able to repairlate his profits. Any investments will be protected and can be taken out of the country. And new investors will have full

rights. There will be no restrictions," says Mr Kovacevic. Outside the free-trade zones,

the legislation is somewhat different. On practical and economic grounds, the Yugoslav authorities are insisting that those foreign companies wishing to set up a new enterprise with a Yugoslav partner must first put up a minimum 30 per cent share. "It would not make sense otherwise." says Mr Kovacevic, adding that the minimum starting-up capital for certain kinds of enterprises would amount to about US\$50,000.

He and other officials expect few problems with this mini-mum investment. Several Yugoslav officials and economists, 'however, wonder if there will be any takers by out-

side companies. In the past, many Western companies hesitated to invest in the country, not only because of the prohibitive conditions governing the repatriation of profits. The system itself prevented the foreign partner to play an active role in the organisation of the

enterprise. In many cases, the enterprise managers were, and con-tinue to be, appointed by the local party commune. The workforce, organised under the "Associated Law of Labour", a document about the size of the Bible were able to interfere in the day-to-day running of the enterprise; the manager had little autonomy or genuine responsibility.

This is supposed to change under the new legislation. Any foreign company which sets up a completely new enterprise with a Yugoslav partner will make a contract with the workforce. That contract will have little in common with the old workers' self-management

For example, the foreign and Yngoslav partners can collaborate to choose the management, set the salaries, hire and even dismiss the workforce. Officials concede, however,

RELY ON "JUGOMETAL" AND ITS LONG

EXPERIENCE IN:

precious and rare metals and jewellery

-Export, import and home trade of:

. non-ferrous and ferrous semis

. non-metallic raw materials and

. chemical raw materials, finished

Extensive trading activities covered by a broad network of wholly owned companies

A wholly owned UK-based company:

METALCHEM INTERNATIONAL LTD.

79-83, Great Portland Street,

LONDON WIN 5FA Tel:01-580 3482

Telex: 885932 MTLCHM G

Telefax: 99441 6315244

ugometal.

Cable: Jugometal Beograd

Tel: (011) 687-999 &184-555

Telex:12 226 jugmet yu Telefax:(011) 643-925

. ores and metals

finished products

- Intermediary dealing

- Transfer of technology

P.O. Box 311.

Deligradska 28,

Yngoslavia.

11000 BEOGRAD,

and finished products

products and solid fuels

- Agency for foreign companies

and representative offices worldwide.

industrial equipment

- Capital projects abroad

that they expect problems dur-ing the initial stages. "Attitudes will have to

change," several bankers said.
"When you have had a system whereby the local party organisation and commune continu-ally interfered for years and put their own men into the enterprises, some will try to play the old game again. But its not on." "Foreign investors will actu-ally contribute to modernising

our economy. But if they are harassed by nepotism and patronage, they will pull out. The rule of law must reign," one banker commented. The new regulations will

provide for a collective contract between the trade union and the company. Workers' rights will be restricted.

There will be proper demarcation lines concerning their involvement and the responsihilities of the workers. A taboo has been broken. In that sense, the law is explosive," says Mr Kovacevic.

However, part of the old structure will be retained in certain state-run industries. Foreign investors will not, at least in the foreseeable future. be allowed shares in, for instance, Smedervo, the giantsteel works located on the banks of the Danube outside Belgrade, he says.

The loss-making Smedervo plant is, in any case, undergo-ing a massive restructuring programme, so it is not particularly attractive to outsiders. But more importantly, the Serbian authorities are not yet prepared to lay off thousands of workers.

"It would be politically suicidal," says one Yugoslav banker. "There are many of these giant industries in the country. And we have to decide whether to close them.

down, or pour in large amounts of capital in order to modernise them. That would also mean rationalising the workforce and management. We know they are overmanned. That is now a major problem facing the authorities."

Wide regional differences social and economic, provide another major problem: the north, including the Republics of Slovenia and Croatia, are comparatively well-off. Unemployment is low, productivity is higher than in the poor underdeveloped southern Republics of Macedonia and ntenegro and the Province of Kosovo. Such differences are further accentuated by the economic profiles of the north and south. The north's economic base consists of the textile. tourism and services and light industries. The south, including Serbia, is lumbered with loss-making heavy industries. Economists expect foreign investors to show more interest, at least to begin with, in the north.

"It is a risk we have to take. We are aware of the attraction of the north, where parts of the economic and political culture are more Western-oriented," a Yugoslav banker commented. But in the long term, we hope we can pull investors down to the south."

This will take time. But at least the long-awaited changes to the existing joint-venture legislation are now in place. And now that both the foreign investor and the Yugoslav partner are less likely to be strangled by red tape and overbearing and ubiquitous bureaucracy, the omens, if not good, are at least better.

Judy Dempsey

(大) マル・・

Alaba 🔻

3. ALAJ is number 1

You might not think so with our: name. But when it comes to complete shipbuilding industries, we are second - or third - to nobody.

3.MAJ is one of the most technically advanced

Sea going vessels of any type and purpose up to 150,000 DWT. Offshore structures and facilities.

Marine Engines
"3.MAJ-SULZER" marine propulsion and stationary slow-speed
Diesel engines in the power range from 1,480 – 45,820 kW.

"JADRANBROD-S.E.M.T. PIELSTICK" marine propulsion and stationary medium-speed Diesel engines in the power range from 2,365—21,870 kW. Servicing of marine engines, and BBC turbo-blowers. Spare parts consignment stock for "SULZER" engines.

Deck Cranes
"3.MAJ-HAGGLUNDS", electro-hydraulic, slewing deck cranes:
Service cranes 1-15 tons capacity. Single and twin cranes 12-100 tons capacity. Crane team units up to 200 tons capacity.

Merine and Industrial Equipment
Main switch boards, controls, bilge separators, manne
incinerators, hydrautic and electro-hydrautic systems for remote
control of valves, fire-proof, gas-proof and sound-proof safety
marine doors. Welded steel structures, steel bridge structures,

Fielinery Equipment Cylindrical and spherical storage tanks, refinery columns, pressure vessels (tabrication and on-site erection).

Indutrial Buildings and Plants Workshop buildings, grain elevators, waste processing plants, waste-water treatment plants.

Cast liver castings according to Meechanite Co. Ltd. (London) licensed procedure (up to 40 tons for casting).



3 MAJ

Clated Shipbuilding industry a.o.u.r. P.O. Box No. 117 81001 Rijeks — Yugoslavis Telephone: 617-111 (20 lines) Teles: YU 24-137, 24-240, 24-338 Telefax: 611-411 Cable: 3.MAJ-RIJEKA torrow's skills today

3 AVI AL J is number 1 in everything - except our name.

THE BEST TEAM IN THE WATER

colled themselves again at the recent Olympics in Secul. Teamwork, sure handling, speed and ties vital to that success. Qualities looked for by you, the shipper, when placing your cargo.

THE BEST TEAM AT SEA

clinije, a leading liner and shipowner in the Mediterranem, currently runs a fleet of 60 vessels world-side, consisting of both a growing number of fast, modern vessels - Container, Ro-Ro, Multipurpose and Container / Ro-Ro and a large conventional fleet.

eaviorting and comm

ms. This ensures a fast

EFFICIENT NAMPLING The Line employs the very latest technology, the most modern

921 JURGLUHIJA, S1881 RLIEKA, TURGSI AYIA.

security of efficient cargo handling for every MOSTS-MIDE SEUAICE

from the Far East through Panama to the west count of the Americas. B002-79-8062

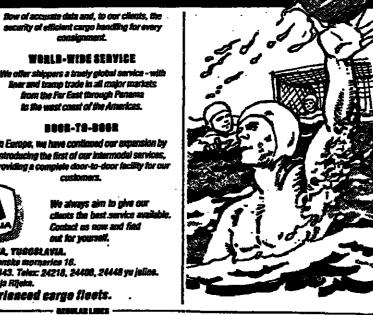
In Europe, we have continued our expansion by introducing the first of our intermodal services, ling a complete door-to-door facility for our

> We always aim to give our clients the best-service as Contact us now and field

out for yourself.

P.O.Box 379. Obala jugoslave Telephone: (051) 33-111, 422-555. Fax: 32914, 421443. Telex: 24218, 24408, 24448 yu juline. One of the world's most experienced cargo fleets.

FULL SOUTHWISE SERVICE ADMANTS - NORTH AMERICA - MIDDLE DAT ADMANTS - SUBJECT STATE ADMANTS - STATE ADMANTS - SOUTH AMERICA COLOR OF ADMANTS - SOUTH - SOUTH AMERICA COLOR OF ADMANTS - SOUTH AMERICA



مكنامنالأجل

Broadly balanced trade with the West is in sight, but there is ...

Anxiety over Single Europe

YUGOSLAV business may be reeling under the tight demand constraints imposed on the domestic economy by the current austerity programme, but it has reaped some reward in the form of a strong export per-formance in trade with West-ern economies this year. In the first 10 months, hard

I there's be

\$377 J. 175

currency exports grew by a commendable 15 per cent, allowing imports also to rise by 6 per cent, with both figures being greater than projected in the current plan. For the first time in decades, Yugoslavia is now in sight of broadly bal-anced trade with the West.

Trade officials say that the good performance of exports has been registered across the board, with no one sector standing out. In part this is due to higher than expected growth in West European economies which constitute the country's major markets—west Germany is Yngoslavia's largest trading partner, closely followed by Italy—but it also owes much to depressed condi-tions at home, which have forced businessmen to turn

The steady depreciation of the dinar means that some now regard it as an undervalued currency. Meanwhile, according to Mr Oskar Kovac, Federal Executive Council member responsible for foreign external relations, unexpectedly high inflation has meant that the fight ceilings on wage growth, public consumption and money supply expansion have bitten harder than origi-

nally expected.

None the less, Yugoslavia remains vulnerable in the lonremains vilinerable in the longer term. Trade with Eastern Europe is sluggish, and it also faces continuing difficulties in its trade with developing countries, particularly those in the Middle East and Africa which have notched up unpaid bilateral debts of some \$3bn.

Lack of foreign exchange restricts Yugoslavia's ability to finance further trade with developing countries, and its relatively slow progress in tap-ping more distant industrial country markets of the Far East and the US have made it heavily dependent on Western

Europe.
This is why Yugoslavia is eyeing the single European market planned for 1992 with anxiety. Officials in the Ministry of External Economic Rela-

in Brussels, may single out the domestic economy, this is Yngoslavia for action on dumping in the first 10 months of this year, seven such cases were instituted, of which five were in the iron and steel sector, according to Mr Boran Karadzole, the Ministry's Assistant Secretary. Relative to the volume of

trade, "we think we are sued more under anti-dumping than the Japanese," he says. Yet the concern over 1992 in

Belgrade is not so much fear of increasing EC protectionism. Yugoslavia already enjoys preferential status in its trade relations with the EC as a Mediterranean developing country. This implies it has little to fear from EC demands for reciproc-

ity in its external trade.
Under its existing trade agreement with the EC, most Yugoslav industrial products can enter the Community free of customs duty on quota restriction, but there are 35 categories of product which are subject to ceilings above which duty is charged.

Mr Kovac does not expect

these quotas to be reduced in connection with 1992. Indeed, they are likely to increase. because that is allowed for in

existing agreements.
But Yugoslav exporters are nervous about keeping up with the increased competition in EC markets after 1992. Yugoslavia's trade with the EC represents only 0.64 per cent of total EC trade with third markets - hardly a strong position from which to negotiate, espe-cially when dealing with dumping charges.

They worry above all about meeting harmonised industrial standards being introduced by the EC in the run-up to 1992, atask which requires constant vigilance and consultation with the Commission in Brus-

Meanwhile, Yugoslavia is planning to liberalise its imports. Despite the country's general shortage of foreign exchange, the market has been liberalised to give importers

As part of the wider economic reform programme, Yugoslavia plans more cuts in both tariffs and import quotas. "A very high share of our trade will be entirely free," Mr Kovac says. Even the import of consumer goods will be liberalised to encourage competition in the domestic market. unlikely to lead to a surge of imports in the short-term. Offi-cially, Yugoslavia has no countertrade policy, but such is the state of its economy, that Western businessmen say its. importers have increasingly

been demanding compensation business over the past couple of years. Under the liberalised foreign

exchange market, businesses can theoretically buy the cur-rency they need for their imports at the prevailing rate, but foreign currency has become expensive with the depreciation of the dinar, industry's finances are stretched and high local interest rates restrict borrowing to finance imports.

Western businessmen expect demands for compensation business to continue even

are not yet used to providing the kind of quality and reliability of delivery that Western markets require, they say. Like its Comecon neigh-

bours, Yugoslavia is Lying to attract more capital from the West through joint ventures. Though several of these have already started up, they are generally designed to ensure Yugoslav control; the Western partners have been encouraged to provide debt finance rather than equity.
Under new legislation expec-

ted to be implemented next year, foreign companies will be allowed to establish fully-owned subsidiaries in Yugoslavia, but with the exception of hotels and road concessions, these will be confined to spe-cial export-orientated duty-free

Peter Montagnon

Yugoslavia	Foreign Tra	de(\$bn)
Jan-Oct	1987	1988
Total exports	8.76	9.77
Total Imports Exports to:	9.77	10.08
- developed countries	4.45	5.35
 developing countries 	1.30	1.36
— socialist countries Imports from:	3.01	3.06
- developed countries	5.47	5.64
- developing countries	1.29	1.63
- socialist countries	3,01	2.85



Given the depressed level of Containers ready for business - which is currently more rewarding in the west than in the east

COMECON TRADE

Imbalance fuels inflation

WHILE Yugoslavia's trade with the West has been going from strength to strength in the last couple of years, its business with Comecon coun-tries is in the doldrums.

Like Finland, Yugoslavia's trade with the Soviet Union is carried out on a clearing basis which is supposed to produce a balanced result, but, largely as a result of the fall in the price of oil and other commodities, Yugoslavia has notched up a surplus which now stands at some \$1.7bn.

According to Mr Jovo Panajotovic, Federal Executive Council member responsible for trade with Comecon, this imbalance does not represent a decline in the actual volume of trade, which has been in line with the economic plan, but the fact that prices of Soviet raw materials have dropped while those of Yugoslav manufactured goods have not

The result is worrying to Yugoslavia, partly because it has led to a fall in the share of Comecon in the country's total trade - which is expected to reach only 32 per cent this year compared with 44.2 per cent as recently as 1985. A the imbalance is seen as fuel-ling inflation which is now running at some 200 per cent.

"Essentially the imbalance represents an interest free

Panaiotovic. "Our country is small and very poor and this is why it is difficult to bear this

burden which fuels inflation." Under the clearing system arrangement, the Yugoslav central bank pays exporters in dinars for the goods they sell to the Soviet Union, but because it is not collecting a similar amount to pay for imports the process is swelling

the money supply.
Theoretically it should be ossible for Yugoslavia to correct the imbalance by buying more goods from the Soviet Union, but this is easier said than done.

"Its hard to raise purchases" Mr Panajotovic says, "because Soviet products don't match our home demand. We would want to buy things that they themselves lack and have to import," he says.

Also Yugoslavia's depressed domestic economy and low investment levels mean that the scope for additional purchases is limited.

A number of solutions to the Soviet trade problem have been suggested recently. One might be to turn part of the surplus into a credit on which the Soviet Union would pay interest; another, to find a way of increasing imports of con-sumer goods and capital equip-

According to Mr Oskar Kovac, Federal Executive Council member responsible for external economic relations, the eventual solution, which will be reached only after detailed discussions with the Soviet side will almost cer-

of the two.
"The size of the surplus is so large that we'll have to employ both mechanisms," he says. Yugoslavia would like to purchase more oil and draw materials from the Soviet Union but it would also have to look at buying manufac-tured goods and capital equipment as well

Meanwhile, one way of miti-

Business with the bloc has failen sharply

gating the impact of the sur-plus on domestic money supply, at least in the short term, would be to make Yugoslav exporters wait 60-days for payment as they are now expected to do on hard-currency sale of

goods to the West.

The decline in oil prices has also affected trade flows within Comecon itself, but Yugoslavia has felt the brunt of the effect more quickly than Comecon countries because the price it pays for Soviet oil is calculated according to the

current market.
Comecon countries, by contrast work on the basis of a five-year rolling average, which means they have been slower to feel the effect of the drop in oil prices in the current decade.

Yugoslavia's two way trade with the Soviet Union, which in the first nine months of this year totalled some \$2.75bn resulting in a surplus of some \$256hm in Yugoslavia's favour dominates its trade with the Eastern bloc. Mr Panajotovic says it should not be difficult to balance this trade on an ongoing basis, but the main problem is the size of the surplus already accumulated.

Although the country also

has clearing arrangements with the German Democratic Republic and Czechoslovakia, these have not given rise to the same problems of imbal-ance both because the volume of trade is lower and because the goods which Yugoslavia buys are mainly machinery and equipment which are not so volatile in price.

Trade with the other East-ern European countries - Bulgaria, Romania, Hungary and Poland - trade is settled in convertible currencies. Special arrangements exist for Poland within this group because of a requirement for exports to be

fully matched by imports. Yet the general shortage of foreign exchange in Eastern tainly involve a combination Europe has also affected Yugo slavia's trade with these coun tries. Mr Panajotovic says Yngoslavia noted a drop in its trade with these countries starting from the time when settlement in convertible currency was introduced a few

years ago.

Meanwhile the process of economic restructuring in the Soviet Union has injected a fresh level of uncertainty which is hampering trade because of the decentralisation of decision-making.

Previously, it was the state which decided on trade matters in accordance with the five-year plan, Mr Panajotovic says. Now the state decides some things centrally, others are up to individual ministries and some decisions are taken at the level of individual enter-

Mr Panajotovic, who was manager of a metal factory in Skopje until he joined the government in the summer, says it is impossible to say how long it will take before the new system in Comecon countries settles down.

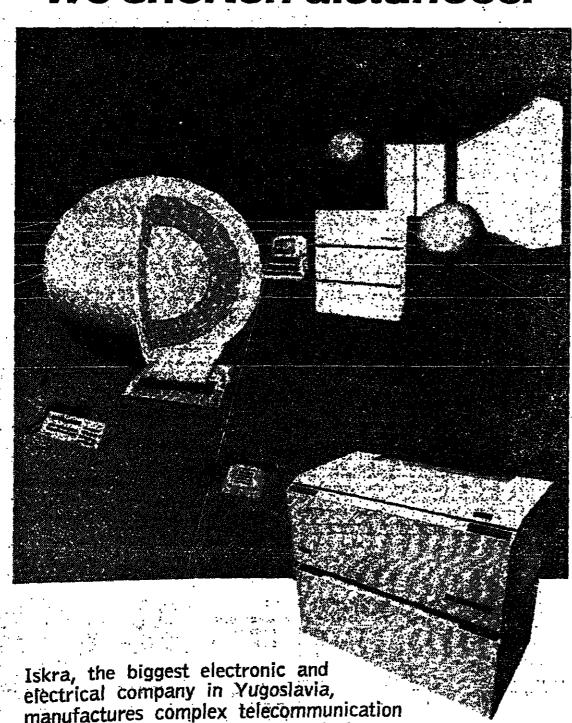
The changes have made life harder for Yugoslav enterprises seeking to trade with the Soviet bloc, he says, but the country is still very much reform process going on in the Soviet Union. Yugoslavia, which is itself

undergoing reforms to make enterprises more independent and market-orientated, "welcomes the establishment of direct contact with enterprises in Comecon countries." Mr Panajotovic says. Its firms are also involved in preparing a number of joint ventures in the region, mostly in the Soviet Union.

Theoretically this could also create scope for three way ven-tures in which Western firms and Yugoslav enterprises team up to develop business inside Comecon, but so fer there has been little interest in this type

Peter Montagnon

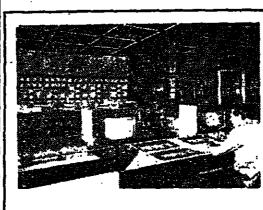
We shorten distances.

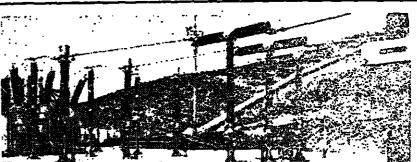


manufactures complex telecommunication systems, classical and digital telephone exchanges, voice and data transmission systems, telephone and data terminals, and computers.



Iskra, 61000 Ljubljana, Trg revolucije 3, Yugoslavia. Tel. int.: +38 61 213213. Telex: 31356 yu iskexp.





RADE KONCAR

is one of the leading Yugoslav exporters of electrical equipment

40% of its total sales is exported to 70 countries throughout the world.

The main activities of RADE KONČAR:

 design and construction of projects and plants and production of equipment for the power supply. transport, civil engineering and other industries at home and abroad including complete consulting and execution of investment works.

production and sales of series products and devices of capital and consumer goods expenditure at home and abroad.

A skilled work force of 24,000 employees works in 46 factories, marketing, engineering and R&D

The extensive activities of RADE KONČAR include:

 electric rotating machinery, including hydro and thermo generators of large output

power transformers of all sizes

switching apparatus of all voltages

 industrial electronics and computerized process control and

a whole range of electrical products intended for most diverse applications

Switch to a better life

RADE KONCAR

Rade Koacar- Electrical Industries, Products, Equipment, Plants-Zagreb-Yugoslavia Fallerovo šetaliste 22. phone: (041) 561-022; telex: 21-104 YU RK ZG, Cable: KONCAR, Zagreb

Federal Republic of Germany, cto CEFRA G.mb H FRANKFURT/MAIN Ulmen Str 37:399 phone (0611) 71:96-122 Tx 04-13409 and 041-13576 CEFRAD - Italy, -RADE KONCAR, Elettromecoanics St.1 Vis Manin. 3:20121 MILAN phone 854-557 and 657-139 (prefix 02 Tx 321210 RAKCMI - France, cto - Internation of Charles de Caulle Bit. D Etage V 92:200 Neurily Siseme phone 637-33-06 to 745-06-45 - Seviet Union, cto Kommercesko-Tehniceskote Bjuro pri Posolistva SFR (UCCG-LAVII MCSCCW Moshipmoskata 92 phone 147-95-10 Tx 414332 YU 22P SU - Carechellovalds, PRAHA i Velerlavinova 6 1 phone 2312868 355079 Tx 12-12-25 - Democratic Republic of Cermany, -[UCCGRICO Hermanmattern Shasse 46/II 104 BERLIN phone 232-54-67 Tx 147-1-8-rab Republic of Egypt, Ingra Branch Office Canto 13 - Adel Hussem Rossom str DOKKY - Po Box 798 phone 7/1324 7/1938 7/16868 Tx 93375 INGRA UN Cable Address DELINGRA CAIPU- Republic of trag, INGRA BRANCH OFFICE Bagndad, Al Wadha Sec. 904 Street 50/House 8-1 Po Box 1276 phone 37/250 Tx 2-2.7/8 INGRA IK - Islamic Republic of trag, INGRA BRANCH OFFICE TEHRAN 34 Sepabbod Chavaru phone 828-343 836-457 Tx 212884 jHP IN

And no one looks after the itinerant business persor better than JAT. On our Adriatic Class, you'll be treated to an exceptionally comfortable trip with all the usual business class trimmings like free drinks, a good choice of

n-filght cuisine as well as special check-in and executive lounges on the ground. Moreover, JAT's first class service doesn't stop at Yugoslavia. You can fly JAT from London

to 19 destinations worldwide, including Athens, Cairo, Damascus, Dubal, Melbourne, Sydney, Calcutta, Peking and, from this Autumn, Bombay.

If you'd like to make sure you're aboard the most

efficient and stylish way to travel to Yugoslavia and be-yond, make sure you're booked on IAT next time you're

For more details on JAT international flights, call:

IT'S JUST GOT TO BE JAT

YUGOSLAV AIRLINES

Prince Frederick House, 37 Maddox Street, London WIR OAQ

Tel: Admin 01-629 2007. Ticket Office: 01-409 1544 Reservations: 01-493 9399. Telex: 261826

udružena banka hrvatske

P. O. Box 865

Ksaver 208

41001 Zagreb

Cable: UBH Zagreb

Phone: 041/431-222

Fax: 041/430-406

Telex: 22560 ubh yu

the bank

you can trust

r the past 100 years, Split has established

constructing a wide range of special purpose

marine equipment, including diesel engines

Over 260 vessels totalling almost five million dwt. have been delivered. Over 90 per cent to

Today we are continuing that same tradition

Designing even more sophisticated and

complex ships. Building every conceivable

SHIPBUILDING INDUSTRY _SPLIT!"

Address: Put udarnika 19, P.O. BOX 107, 58000 SPLIT, Yugoslavia. Telephone (exchange): 521-222.
Telex: 26 125, 26 113, 26 296, BROGR YU. Cable: BROSPUT, Split.
President, tel: 522-380, 522-075. Sales Director: 522-668, 514-925.
A member of the Association of Shipburding Industry

SPLIT, THE SHIPBUILDERS

WITH A DIFFERENCE

If you want to see a big difference from other

a worldwide réputation for building and

fitting out all types of vessels as well as

off/on shore drilling platforms and other

under the M.A.N. - B & W licence.

overseas buyers.

type of vessel.

of quality and expertise.

shipbuilders, contact SPUT.

YUGOSLAV TRADE AND INDUSTRY 4

JAT make it their business to look after you when you're flying to Yugoslavia on business And here's why. JAT runs over 40 scheduled services every week to nine Yugoslavian airports, from Heathrow, Gatwick, Birmingham, Manchester and Glasgow.

Although holdings are small, private sector farming produces more than the socialist sector

With output down, agriculture must tap its . . .

Private potential

A COMBINATION of droughts. had winters and falling investments have led to a sharp decline in Yugoslavia's agricultural exports and production. But the authorities are hop-

ing that new economic reforms, which also effect agriculture, will eventually pull this alling sector of the economy out of the doldrums.

Preliminary figures for 1988 make pretty grim reading. According to the Federal Committee for Agriculture, loss in staple crops for 1988 will total about US\$1bn. The maize crop, an important earner for the country, will be 40 per cent less than planned. The beet crop, which amounted to over 6.2bn tonnes last year will be reduced by 37 per cent. The same applies to the sun-flower

These disappointing figures have already affected exports. Over the past few years, 80 per cent of Yugoslav agricultural exports were ear-marked for the Comecon markets while the remaining 20 per cent went to Western markets. But economists reckon that the 1988 fig-ures will reflect the decrease in productivity and output. Equally, they expect agricul-ture's total share of the Yugoslav economy, which during the early 1980s, stood at 15 per

This pessimistic catalogue of figures is supplemented by the authorities increasing concern about the slow pace of modern-

cent, to drop a few percentage

industry. Fewer than 140,000 hectares of land, that's about 1.6 per cent of the country's farming areas, is irrigated. The authori-ties freely admit that this is below the minimum required by modern food production methods. A plan has already been drawn up whereby over 1.5hn hectares of land will be irrigated by the end of the cen-

DR FRANC Horvat, the new

Yugoslav Minister of Tourism, had reasons to be satisfied at

his first press conference last month. This year, estimated foreign exchange earnings

from tourism are \$2bn, or about 20 per cent more than last year, if officially registered

revenue alone is considered.

Inclusion of other tourism related revenue, like transport or purchases of goods by for-

eign visitors, boosts the total to \$3.5bn. Both should be viewed against the total for-

eign exchange revenue from exports of goods and services of slightly more than \$20bn

this year.
Yugoslav authorities are determined to maximise for

eign exchange earnings from tourism and are convinced that

it can be done quickly.

Their optimism is based on

growing interest in Yugoslavia in several important source countries, like the US, Italy, some Nordic countries, and Israel, with which there have been no diplomatic relations.

since 1967. In the first nine

ket signals point to improved

bookings for next year from many source countries.

Internal developments in Yugoslavia, ethnic conflicts and industrial tensions which

have been prominently dis-played in newspapers and on television abroad last summer

and autumn, have had little

impact on the flow of tourists.

More discouraging to tourists are the chronic shortcom-

ings in the the country's trans-

port, communications and

other infrastructure. Yugoslav roads are bottlenecks. In July

Clearly the continuing spate of droughts, which have affected all the countries of Eastern Europe, has created a ense of urgency about tackling Yugoslav agriculture prob-

But it is the organisation of the agricultural system, which would tend to fascinate sociologists and anthropologists more than economic experts, which is now coming under close scrutiny by the authorities.

Under the present system, land is divided into the socialist and the private sectors. The former comprises large farms, ranging from 1,000 to 30,000 to be tapped That said, the problem with

the pending land reform is its failure to take into account Yugoslavia's complicated land inheritance law. Yugoslavia is not a homogenous country. Deep-rooted and very different traditions prevail among the six Republics and two autonomous Provinces.

Land in the north, including Slovenia, parts of Croatia and the autonomous Province of Vojvodina with their rich, arahle and often flat lands, was handed down under a primo-geniture tradition - the first

Clearly the continuing spate of droughts, which have affected all the countries of Eastern Europe, has created a sense of urgency about tackling Yugoslav agriculture problems.

hectares, some even as large as 80,000 hectares. This sector accounts for 20 per cent of the total arable land.

The small plots make up the remaining 80 per cent. But these plots which, until recently, were allowed to be no more than 10 hectares, are often no higger than 3.5 hect-ares. But despite its small scale, the private sector produces more wheat, maize, livestock and milk than the social-

It is probably for this reason that, beginning in 1989, the are incre maximum amount of land which can be held by individuals to 30 hectares.

Some of the republics, most notably Serbia, wanted the ceiling to be scrapped alto-gether, while others, for politi-cal and ideological reasons, wanted it to be held under 30 hectares. But if there was any consensus during the debate over this issue, it was a grow-ing realisation that the private

born inherit the land - a legacy of the Hapsburg Empire which ruled those areas of Yugoslavia until 1918. This system today still continues in parts of Slovenia.

In the southern republics of Macedonia, Montenegro and the Province of Kosovo, however, the inheritance law reflects peasant traditions and the legacy of the Turkish empire and Albanian law. Private plots, including the house, are divided equally between all members of the family. And when the families are large, as among the ethnic Albanian population in Kosovo, the plots often amount to no more than

a tiny patch of land. Yet though the Yugoslav authorities are proposing to increase the land holdings celling to 30 hectares, ast the moment they are not considering revising, or unifying the law of inheritance.

"Yes, we need to change this law. But there are no concrete



HUNGARY

proposals to do so", says Mr Milan Prostran, a senior adviser on the Federal Committee of Agriculture. "I myself would like a step to be made in this direction. Something has to be done."

Another problem facing the authorities is the question of investments and subsidies. In 1986, 4.9 per cent of the total investment budget was allo-cated to the socialist sector of agriculture. That was reduced to 4.3 per cent in 1987 and Mr Prostran says it will be further ecreased for 1988.

The reasons for this fall boil down to a shortage of funds. Mr Prostrau says it is a question of priorities. The current investment plan is oriented towards extending the irriga-tion system and modernise existing food processing plants, an increasingly important branch of this economy. Mr Prostran and his colleagues would also like to see more funds made available for marketing and new farm machin-

authorities remain committed to subsidising certain products.
"The economic reforms, which aim to strengthen the role of the market will not exclude subsidies," says Mr Prostran. At the moment, total federal subsidies to agriculture, of which the republics and provinces contribute two-thirds.

These are allocated to fertilisers, plant production and seeds. Parallel to, and separate from, the federal funds, the republics and provinces also subsidise agricultural exports, in particular meat and livestock to the tune of about 30 per cent. Wine, sugar, edible oil and tobacco also receive subsidies ranging from 6 to 30

But despite the subsidies,

less than 5,000 of them in hotels, the rest in private

nity, he and other Yugoslav officials are stressing their commitment to the decision made earlier this year to free prices for 85 per cent of all agricultural products.

This is the first time for 40 years that we have lifted State controls off these prices," says Mr Prostran. "There are now only three products under state control: oil, flour and

Government officials also

venture legislation, there will companies and individuals to invest in both the socialist and private sector. In the long term, this could greatly assist the food processing industry as well as marketing.

ROMANIA

But in the meantime, Yugo-slav officials simply wish for an end to the crippling economic crisis which leaves no sections of the economy

Judy Dempee



Business Association of Yugoslav organisations for designing construction and equipment of investment projects

- power generating plants
- Industrial plants
- chemical, oil and petrochemical
- agroindustriai compiexes and foodstuff industry
- construction, erection and specialized engineering services

Feasibility studies - financing of projects engineering - management of the projects.

41000 ZAGREB, Proleterskih brigada 62, Yugoslavia Teles: 21-239, 21-728, 22-424



TOURISM

Emphasis turns to quality

months of 1988, there were 19 per cent more overnight stays of Americans, 7 per cent of Italians, 23 per cent of Belgians, 14 per cent of Finns and 35 per cent of Israelis than in the same months of last year. Marand August traffic jams are frequent, especially in Istria and farther down along the coast, and at the toll collecting stations along the "TransYugoslavia". This is the motorway connecting Austria with Greece necting Austria with Greece and Bulgaria, known as the brotherhood-unity motorwa

"TransYugoslava" is only half finished and may remain so for some time yet. Work has been speeded up, with the help of the European Investment Bank, and optimists hope to see it finished in time for the 1992 tourist season. Other motorways, especially those in Istria, agreed in the Osimo agreements with Italy a dozen years ago, may also be built by that time

The Adriatic highway has been allocated lower priority but may be contracted out to foreigners under new foreign investment legislation.

Trunk railway lines need to be modernised to allow higher speeds. Telecommunications, also a bottleneck, are being improved, the pace depending on financial resources. New ferries will be bought to reduce waiting times for tourists visiting islands. Water supply also needs improvement in several regions like Istria.

For the next year, the

ing the quality of service rather than extending the range of facilities. Nevertheless, for the new season there will be some 50,000 new beds,

rooms (some 26,000) and camps (14,000). Sports, recreational and other facilities, marinas and the like will be higher on the priority list for new invest-Several developments hold out the promise of a boost for tourism. Individual Yugoslavs are to be allowed and encour-

aged to invest in tourist facilities, like boarding houses, small hotels, restau-rants, campa, sports and enter-tainment facilities, and much more: while co-operatives, mixed enterprises and other forms of organisation are to be set up in competition with the socialised sector.

At the same time, foreigners will be able to form joint ventures in tourism with Yugoslavs, both from the socialised sactor and private or co-opera-tive sector, with no upper limit for the share of their equity (there will be a lower limit of 30 per cent), and to build whol-ly-owned hotels.

In joint ventures they will have much more say in the management, various tax benefits, and guaranteed capital and profit transfers. Individual foreigners will be able to buy time shares in apartments in

Aleksander Lebi

MINEL Hotlogradnja

- LARGE AND SPECIAL - POWER GENERATION

- POWER CONSERVATION SPECIALIST FOR
- COGENERATION AND CITY HEATING PLANTS WATER TREATMENT
- FANS PROTECTING THE
- ENVIRONMENT · UPGRADING, AUTOMATION, LIFE EXTENSION

WE DON'T FIND ANY TASK SMALL OR UNRESOLVABLE

TRY MINIEL KOTLOGRADNIA TO FIND THE DIFFERENCE,

> MINEL KOTLOGRADNJA URALSKA 3, 11061 BEOGRAD YUGOSLAVIA

TELEPHONE: 11. 775430 OR 11. 771992: TELEX: 12916: TELEFAX: 771.544



JUGOBANKA

First bank in Yugoslavia for the financing of the shipbuilding industry, which is one of the most prominent export branches of Yugoslav economy, known worldwide for the production and export of ships.

For qualified and efficient banking services in your business with Yugoslavia contact Jugobanka at:

> JUGOBANKA UNITED BANK 7 JULA 19-21 11000 BEOGRAD, YUGOSLAVIA TELEX: 11610, 11302, 11398

JUGOBANKA NEW YORK AGENCY 500 FIFTH AVENUE NEW YORK, N.Y. 10110

REPRESENTATIVE OFFICE SALISBURY HOUSE, LONDON WALL LONDON ECZM 5RT

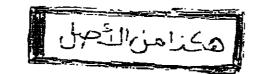
JUGOBANKA

Representative office in: Amsterdam, Baghdad, Berlin, Chicago, Düsseldorf, Frankfurt/Main, Hamburg, Hanover, Los Angeles, Manheim, Milan, Münich, Nürnberg, Paris, Stockholm, Stutgart, Toronto, Tripoli, Vienna and Zurich.



41 YEARS OF EXPERIENCE IN AGENCY BUSINESS





FINANCIAL SERVICES BUDGET ACCOUNT

Notice is hereby given that with effect from 13th December 1988 the interest charged on AA Budget Accounts will be 2.40% per month APR 32.9%

The Creditor under the

AA Budget Account Scheme
is the Bank of Scotland,

N.W.S. House,
City Road, Chester X,

CH99 3AN

To the holders of Warrants issued by
Dresdner Bank AG in connection with Bonds of
Dresdner Bank AG, Frankfurt am Main,
and

Dresdner Finance B.V., Amsterdam

Dretchier Bank has increased in November 1988 its share capital by issuing new shares granting a preemptive right to its shareholders. As a consequence of this capital increase the Subscription Prices for 1-We share of DM 50 per value of Dresdner Bank AG (in consideration of the capital increase from retained samings of May 1987) to be issued upon exarcles of the Subscription Rights represented by the Warrants or ignative affactuate to the Bonds mentioned hereafter shall be reduced as from December 6, 1988 (effective date) in accordance with Section 7 of the respective Conditions of Warrants:

8.5 p. c. Deutsche Mark Benrer Bonds with Warrants of 1986/98 leaned by Dreadner Bank AG, Frankfurt am Main; reduction of the Subscription Price to DM 377

5 p. c. Deutsche Merk Bearer Bonds with Warrants of 1986/91 and US-Collar Floating Rate Notes with Warrants of 1986/91 issued by Dreadner Finance B.Y.; Amsterdam; reduction of the Subscription Price to DM 407

We furthermore notify that the Subscription Price for the exercise of the Subscription Rights represented by the Warrants originally attached to the Bonds mentioned hereafter and issued by Dresdner Finance B.V., Amsterdam, according to Section 7 of the respective Conditions of Warrants shall not be reduced;

4 p. c. Deutsche Mark Bearer Bonde with Warrants of 1983/90 US-Dollar Floeting Rate Notes with Warrants of 1983/93 8 p. c. Deutsche Mark Bearer Bonds with Warrants of 1984/92 and US-Dollar Floeting Rate Notes with Warrants of 1984/82

Frankfurt em Main, December 1988 Dresdner Bank



LUF 300,000,000
PRIVATE PLACEMENT

Arranged and suspend by PKBANKEN INTERNATIONAL (LUXEMBOURG) S.A.

KREDIETBANK S.A. LUXEMBOURGEOISE

KREDIE I BANK S.A. LUABNISOURGEC

BANQUE GENERALE DU LUXEMBOURG S.A. BANQUE INTERNATIONALE A LUXEMBOURG S.A. BANQUE PARIBAS (LUXEMBOURG) S.A. BANQUE UCL S.A. BERGEN BANK INTERNATIONAL S.A.

BERGEN BANK INTERNATIONAL S.A.
CREDIT EUROPEEN S.A.
CHRISTIANIA BANK LUXEMBOURG S.A.
PKBANKEN INTERNATIONAL (LUXEMBOURG) S.A

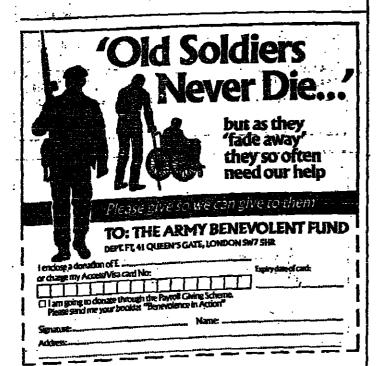
Principal payons opent

KREDIETBANK S.A. LUXEMBOURGEOISE

October 1986

1.

4.



FT LAW REPORTS

First estate agent's sale sign is deemed legal

PORTER v HONEY
House of Lords (Lord Keith of
Kinkel, Lord Riwyn-Jones,
Lord Brandon of Oakbrook,
Lord Griffiths and Lord Goff of
Chieveley): December 1 1988

AN ESTATE agent who erects the first and only "for sale" sign on a property is deemed to do so with local authority consent; and such deemed consent remains effective despite the subsequent unlawful erection of more signs with or without the original agent's Provideden

without the original agent's linewiedge.

The House of Lords so held when allowing an appeal by Mr AH Porter, a partner in the firm of Whitman Porter, estate agents, from the Divisional Court's decision that he was properly convicted by magistrates of the offence of displaying a sale board without local authority consent.

LORD GRIFFITHS said that Mr Porter was an estate agent

LORD GRIFFITHS said that Mr Porter was an estate agent who displayed a "for sale" board outside two properties in Richmond. In the case of each property those boards were the first to be displayed.

Each property-owner then

Rach property-owner then instructed a second estate agent. Those two agents erected their own boards on the properties without Mr Porter's knowledge or consent.

On February 23 1987 the local authority laid informations relating to each house against Mr Porter and against the other two agents, charging the offence of displaying an

advertisement without local authority consent.

The other agents pleaded guilty. Mr Porter pleaded not guilty, but was found guilty by the magistrates. They imposed the same 200 fine in respect of each information as they did

on the other two agents.

Mr Porter's appeal to the
Divisional Court was dismissed
([1988] 2 All ER 449]).

On the present appeal Mr

On the present appeal Mr
Porter argued that a first board
erected with "deemed" consent
continued to enjoy that consent, even after the erection of
a second board erected without
deemed consent.

a second board erected without deemed consent.

That argument was not presented to the Divisional Court. By section 63 of the Town and Country Planning Act 1971 the Secretary of State had power to make regulations "for restricting or regulating the display of advertisements".

The offence of which Mr Porter was convicted was created

the which the which are rorter was convicted was created
by section 109(2) of the Town
and Country Planning Act
1971, which provided that if
any person displayed an advertisement in contravention of
the regulations made under
section 63 he "shall be guilty of
an offence". Section 109(3) provided that he was not guilty if
he proved that the advertisement was displayed "without
his knowledge or consent".

The problem lay in the Town
and Country Planning (Control

of Advertisements) Regulations 1984 (SI 1984 No 421). Regulation 6 provided that no advertisement might be displayed without express local authority or Secretary of State consent, or consent "deemed" to be granted. Paragraph (2) provided that "consent shall be deemed to be granted..."

to be granted. Paragraph (2) provided that "consent shall be deemed to be granted... in accordance with any provisions of these regulations whereby advertisements of that description may be displayed without express consent". No express consent was sought or given. The question was whether consent was to be "deemed" to have been

granted.

Regulation 14 specified the classes of advertisements which might be displayed without express consent. Class III, headed "certain advertisements of a temporary nature" included in paragraph (a) "advertisements relating to the sale . . . of the land on which they are displayed; limited in respect of each such sale . . . to one advertisement consist-

to one advertisement consisting of a board . . . "

Parliament did not wish a person to be convicted of an offence if an advertisement was displayed on his land "without his knowledge or consent" (see section 109(3)). It would therefore seem unlikely that Parliament would have intended to create an offence of strict liability in relation to advertisements without giving an opportunity to the advertiser to escape liability by proving he was blameless—but such was the effect of the regulations as they had so far

been construed.

The difficulty in construction was created by the fact that in regulation 14, Class III(a) limited the deemed consent in respect of each sale or

letting to one advertisement.

The local authority argued that if there were two advertisements in respect of the same sale, there was no deemed consent in respect of either of them.

The regulations only made sense and did justice if they were read as continuing the deemed consent for the display of the first board, despite the unlawful display of subsequent boards. Therefore, as a matter of necessary construction, Class III (a) would read as if it contained the italicised words:

"() Advertisements relating to the sale . . . of the land on which they are displayed; limited in respect of each such sale . . . to one advertisement that being the first advertisement displayed when more than one is displayed consisting of a board . . ."

board . . . "

In the vast majorities of cases it would be possible to establish which board was erected first by a simple enquiry from the property owners, the agent or the records of the company that

rected the boards.

The local authority placed reliance on the wording of the substituted definition of Class III(a) contained in the Town and Country Planning (Control of Advertisements) (Amend-

ment No 2) Regulations 1987, which came into force on Octo-

ber 28 1988.

The new definition of Class III(a) now included in paragraph (i) an advertisement relating to the sale of the land on which it was displayed, consisting of a single board, "(ii) . . . Provided that nothing in paragraph (i) . . . shall permit more than one advertisement to be displayed at any one time . . "

The local authority submitted that whatever view might be taken of the 1984 Regulations, the amended Regulations now made it plain that permission was limited to one advertisement, and therefore a deemed permission for the first advertisement could not survive once a second advertisement was displayed.

ment was displayed.

From that it was argued that Parliament had now made it plain that it was prepared in the interests of enforcing the legislation to impose a harsh and possibly unjust result on the first advertiser, and the 1984 Regulations should therefore be construed to produce the same result.

That construction of the 1987 Regulations was not accepted. The explanatory note to the amendment indicated that it was introduced to scotch an argument that the regulations permitted each advertiser to have one board rather than limiting permission to one board for each sale or letting. It was now clear that the

deemed consent was limited to one board at any time. The amended Regulations were read as subject to a similer implication, so that the first advertisement attracted the deemed consent and was not

advertisement attracted the deemed consent and was not lost by the unlawful erection of subsequent sale boards.

The courts should be slow to impute to Parliament so harsh an intention as to impose crim-

impute to Parliament so harsh an intention as to impose criminal liability on a citizen acting lawfully because another citizen, over whom he had no control, acted unlawfully.

Delegated legislation did not receive the scrutiny of primary legislation. If in the interests of

legislation. If in the interests of administrative convenience such an apparently unjust rule was to be introduced, it should be in the clearest possible language so that the purport of the legislation could be readily recognised, and the need for such a measure could be considered before it was approved. In the absence of such clear language it was not possible to impute to the Secretary of State or Parliament the intention that an estate agent in Mr Porter's position should be guilty of a criminal offence.

The appeal was allowed.

Their Lordships agreed.
For Mr Porter: Frederic Reznold QC and TE Bergin (Azelrods, Richmond).
For the local authority: David
Lamming (Borough Solicitor).

Rachel Davies
Barrister

The GLENFIDDICH guide TO THE SEVEN DEADLY SINS.





GLENFIDDICH. Pure Malt.

Top company information

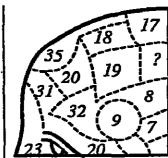
INFORMATION about Europe's top 25,000 companies will be available in January on CD-ROM (Compact Disc read only memory) from Clarinet Business Publishing (CBP) of Camberley in the UK. Data will be supplied for an annual subscription of £18,000 which includes a personal computer with built-in CD-ROM drive

and a monthly updated disc.
The product is the result of an agreement between Clarinet, Extel Financial, and ICC information Group, both of London. CBP, a major European optical disc software house, will first combine the Extel Exstat information on 4,000 top public companies with the ICC data on the top 21,000 private companies. Historical data, market research results and City analytical reports will be added at a later stage.

compressing business and financial data electronically on to CD-ROM discs and providing high speed retrieval itware that will integrate information from sources such as Extel and ICC.

Credit-card size medical records DREXLER TECHNOLOGY, the Californian laser recording card company, has scored its first success in the UK with a trial conducted by British

Telecom at an unnamed London hospital. The cards, on which data is recorded optically in rows and columns as opposed to the circles of the more about the size of a credit card. But they can hold up to 800 pages of text, or eight digitally recorded frames of a TV picture. They allow personal medical information to be carried by the patient in top pocket or handbag so that doctors can make a rapid



WORTH WATCHING

Edited by **Geoffrey Charlish**

Other medical trials were recently started at the Baylor Medical School in Houston, Texas, and also in Serdinia by Olivetti, the Italian electronics group. The Swist pharmaceuticals body, Olac, is arranging similar tests in France, Switzerland and The Netherlands.

hospital is conducting a controlled trial of about 100 pregnant women, who will bring their card each time they visit the antenatal clinic The doctor or midwife simply plugs the card into a reader and reads the woman's records on a personal computer screen. Any new information can be added to that on the card via the keyboard. The card, which is not erasible, will be

paper records. British Telecom have called the Drexler LaserCard the RecaliCard. BT is one of 26 Drexier licensees, which include most major Japanese electronics companies and many in the US and Europe. The reader in use in the London trial is made by Nippon Conlux, a subsidiary of Nippon Electric Company (NEC). Readers are also available from Olympus Optical and Omron, both of

which has been working with Plessey in the UK and Seiko completed a working model of its "Receptor" — a combined wrist-watch and paging unit. Plessey has developed a complete frequency-agile radio on a chip for the project.

The wrist-watch

paging system

(AT&E) of San Francisco,

AMERICAN Telephone and

This pager-watch is part of the company's plan to introduce a paging system that would allow the Recepto to be used anywhere in the world. Paging signals will be sent from existing broadcast transmitters. AT&E says it is now completing the network in the US and is working with other entities

A celler will use any telephone to connect with the nearest computerised clearing house and leave a message. The clearing house will contact the appropriate transmitters to send out paging signals (at the same time as the broadcast programs). The called party's Receptor will then show a short message ("call the office" for example).

Another feature is that each Receptor has precise moments at which it can receive, and remains slots" in the transmitters. Each Receptor's slot repeats at intervals and it switches itself on at precisely the right time, receives any meas: o, receives any message ressed to it, and switches off. Since it is consuming power for such short periods. its tiny watch battery will last for up to three years. The company says the system can accommodate over 2bn Receptors.

CONTACTS: Clarinet: UK, 0276 600398 Drexier: US, (415) 969 7277; UK, 021 643 3242. AT&E: US, (415) 433 0430.

The new age of steel production

British Steel, the shares of which were traded for the first time yesterday, is possibly the lowest-cost steel maker in the world but it is not the most efficient.

In advancing the technology of steel-making and operating plant with minimum manning levels, it is Japan, followed by South Korea, which lead the world.

Here ROY GARNER looks at the changes which are being made in the Japanese steel industry.

Tapanese steelmakers are continuing to emphasise technological improvement as the route to consolidating the remarkable recovery in their industry. During the past year, the big five integrated producers all turned in a profit, after suffering com-bined operating losses of Y468bn (£2.1bn) in the year to March 1987. Throughout the Japanese

steel industry, manufacturers' primary goal is the streamlining and refining of steel-making processes. Hand-in-hand with this goes the development of ever closer co-operative links with their customers as demand grows for high-quality, customised steel products and items produced in small batches. This is especially true of car makers, which are among the steel industry's big-

Increased technological sophistication and production flexibility are also regarded as ways in which to combat the challenge from rapidly modern-

Slab casting

Slab (200 mm) surface condition

ising steel makers in the newly industrialised countries. Takuo Kohno, of Nippon Steel Corporation's (NSC) cen-tral research and development bureau, says that over the past five years particular progress has been seen in the introduc-

• Continuous casting/direct rolling (CCDR). Steel has traditionally been cooled and then re-heated between the casting and rolling stages; CCDR cuts out this step.

 Continuous annealing and pickling lines (CAPL). Annealing is the heat treatment that tempers or toughens the steel and pickling is an acid bath method of removing surface scale to give a smooth finish.

New process Strip (2-5 mm) • Cold tandem milling for rolling and shaping. This too is a continuous process. It includes up to half a dozen roll-

Conventional process

Hot strip mill

ers operating in tandem, whereas in the past there was one large rolling device and the sheet steel was moved backwards and forwards. Cold tandem milling can be com-

bined with CAPI.

Annealing used to involve the heating and controlled cooling of batches of steel coil in a process which took over a week and consumed huge amounts of energy. Now, steel in strip form can be fully processed in a few hours on the

way to coiling. NSC attributes the successful introduction of CCDR to technologies which facilitate high-speed, defect-free casting, optimise the cooling pattern, improve heat retention and enable schedule-free rolling, whereby sheets can be rolled to different thicknesses on the same line. "By improvements in these areas, we have cut the length of the production pro-

cess, reduced the workforce and lowered overall energy consumption," says Kohno. He acknowledges, however, that the business upturn has made it easier to introduce these modernisations. "R&D funds are more readily available when business is good. It is easier to add technology to

new plants at a time of produc-When plant is shrinking in size this is difficult. I'm very impressed by the British Steel Corporation which seemed to manage both at the same time," he adds.

In the Japanese steel indus-try as a whole, NSC estimates that energy savings of about lm kilocalories/ton of steel have been achieved over the past decade, but a considerable reduction is still being sought on the present average of 4m kcal of energy needed to produce one ton of steel.

Linking the many different processes involved in steel-making is also seen as the way forward at Kobe Steel, another

of Japan's leading steel companies. The proportion of steel production which is part of the continuous casting process has now reached 82.3 per cent. This figure, called the continuous casting (CC) ratio, is up from an average of 77.8 per cent one year ago. A CC ratio of more than 90 per cent is the target

Cold strip mill

within the next five years. Yamato Ishizaki, of Kobe Steel's steel sheet technology department, says that improve-ments in steel quality are now being sought using the follow-

ing new techniques:

• Electro-magnetic stirring.

At the slab-casting stage, electro-magnetic force is used to agitate the steel. This helps to eliminate the grouping of impurities, such as carbon phosphate, during moulding and solidification and improves the steel's bloom surface and internal qualities.

 De-gassing. This involves a vacuum process to eliminate non-metallic content and harmful gases from the molten steel. • Ladle refining. The chemical composition of the molten steel is adjusted while it is in the ladle. This also lowers the oxygen content of the molten

 Hot-rolling crown/shape control mill. This mill features sliding rollers which control the overall cross-section of hot-rolled steel sheets, ensuring that customer require-

are accurately met.

• Edge-heating (of rough bars). Here an induction heater is used to counter the tendency of steel sheet to lose heat most quickly at its edges, allowing grain size differences to

levelop. Ishizaki says that the special requirements of the car industry have strongly influenced the company's modernisation effort. "Car makers do a lot of steel working, so malleability is important. Hot-coil, thingauge steel is much in demand. It is used, for example, in car chassis and conduit pipes. Our minimum steel gauge, on a commercial basis, has now

been reduced from 1.6 mm to 1.2 mm in response to this

Ichiro Iwami, manager of Kobe Steel's steel wire rod technology department, agrees that much of the company's success is linked to its close ties with customers. "Our com-petitive edge is achieved by meeting the specialised requirements of our customers. The trend is now towards the value-added end of the mar-

An important part of this of joint research projects, pri-marily involving information exchange between steel compa-

nies and car manufacturers.

One of the most important products arising from this direct co-operation is custom-ised steel sheeting. Using new electro-galvanising (coating with zinc by electrolysis), hot-dipped galvanising and lasertreatment techniques, sheet steel for specialised applications is produced. These can feature high levels of resistance to corrosion, oil or impact; the ability to absorb vibration; and smoothness.

An example of these new composite steel sheet. This is designed to absorb shock or vibration through a sandwich of adhesive resin between two metal sheets. It is also highly ductile and has a strength of 100 kg per sq mm. Heavy demand for Damplay has come from industrial machinery, electronics and automobile makers. In April 1988, Kobe brought a 1000 ton/month capacity Damplay line into operation at a cost of about

Despite the promising outlook in steel, the industry is also investing in entirely new areas of business to further guarantee future stability.

At NSC, about 30 per cent of R&D spending is being chan-nelled into non-steel areas. And whereas 700 of NSC's 1,000 researchers are now working on steel technologies, this fig-ure will fall to 550 out of the 1,000 by 1990. But Kohno insists that the commitment to improving steel-making will

"The ratio of steel R&D expenditure is diminishing, but we are being very cautious to ensure that we remain competitive with other steel firms."

Looking to the future, Kohno predicts that Japan will continue to face disadvantages compared with its competitors in terms of labour, land and plant costs.

In response he expects the country to advance into new steel-making techniques. These would probably include the introduction of smelting reduction processes (which use iron pellets for steel making, so obviating the need for a blast furnace), strip casting (cutting out the process of making slab) and rheocasting (casting mol-ten steel in a semi-plastic state). All of these would allow an even greater degree of con-trol over steel product quality.

Now you can call anywhere in the world on any phone in the USA.



No cash. No mark-up*. No problem.



Unlike other telephone credit cards, Executive TeleCard International can be used on any phone. Touch phones.

Rotary phones. Pay phones. You name it. And whether the phone is in your hotel room, around the street corner or at airports, Executive TeleCard International keeps you in touch with

the world. No cash. No mark-up*. And no problem. It's so user friendly that the calls can be billed in your currency. To you directly or to your credit card. With a choice of billing details.

How does Executive TeleCard International work?

It's easy. Call the Executive TeleCard International number in the US. Once you're connected, dial long distance as you would normally do, then your personal Executive TeleCard International code. This is your protection that no call can be made without your authorization.

Executive TeleCard International is yours for only US\$ 50 per year, it's a small price to pay for big savings, in money and time, not to mention convenience,

For further information and subscription, call the toll-free number in your country. Can you afford not to?



Feel free to call[™].

Executive TeleCard S.A. - Rue de la Morâche 14 - 1260 Nyon - Switzerland - Tel.: + 4122/617171 - Telex: 419906 grp ch - Telefix: + 4122/610227

Australia 008033418. Hong Kong (5) 283876. Japan (03) 3484588. Singapore 3380800 • U.S.A. 1-8009998002 • Austria (01) 541186. Belgium (02) 2188343. Cyprus (02) 447800. Denmark 04300008. Finland (90) 440800. France 05 050800, Germany 01305623. Iroland (01) 72 6175. Iroly (06) 6780192. Luxembourg 484558. Netherlands 06022 0800. Norway (02) 416115. Portugal (01) 983088. Spain (93) 3022282 or (91) 4026131. Sweden (08) 217727. Switzerland 046050800. U.K. 0800898333 • Bahrain 234241. Oman 750900. U.A.E. (04) 214800.



The financial market has been plunged into chaos following a vicious takeover

Both Cadbury and Philips have been snatched from the helpless Morris Denton frivolous tycoon and furious MP (Vegetarian Diner Party).

At 3.30pm the attack started when Vanessa Winter-Jones (John Craven for President Party) made a hostile bid for Cadbury.

"Wake up Denton!" warned Timothy Gorb former teacher and now MP (Invite Red Ken to your Party). "If you want to survive you've got to stay one step ahead of these students of Thatcherism."

Denton's vulnerable position was a red flag to other bullish marketeers'.

Pundits struggled in the stampede to prise Philips away from Denton.

"Why is everyone stripping my assets," he wailed while nervously consuming another stuffed tomato as is his habit.

"I warned you these people are after just one thing success," informed Gorb the somewhat left of centre anarchist who now makes up the one Government

opposition. Insider dealers believe it was Denton's last plea to the Prime Minister that caused his final downfall. "I only

want to see fair play and a fair share for all; not legal mugging."

This prompted PM Walter 'Bruiser' Golightly to joyfully raise Denton's taxes to an unprecedented level and successfully takeover Philips. As Denton's SOS was heard above the uproar Bruiser' remarked "Crisis?

What crisis? I've never had it so good." Certainly the players find their business and political

talents pushed to the limits. After all, the game Poleconomy is definitely not for the meek.



Innovation

STONEHENGE AND THE SPACE TELESCOPE

Over 4,100 years ago a Neolithic people built a remarkable monument on the Salisbury Plain in what is now southern England. As an engineering feat alone, Stonehenge stands as one of the wonders of the world. But a recent discovery has revealed that it served not only as a temple, but as an astro-

that it served not only as a temple, but as an astronomical computer.

We know very little about the life of the people who built Stonehenge. But one thing that has become increasingly evident is that they were far more sophisticated than was previously believed. Even though they worked only with Stone Age technology, they built a monument which apparently acted as an astronomical clock. With Stonehenge they could predict eclipses, the exact days of the solstices, the long-term cycles of the moon and sun, and other important heavenly events. They could begin to understand that the universe had order and how it worked. The need to understand the workings of the

The need to understand the workings of the

universe is very ancient in man. One might even say that it is instinctual, that it is part of what makes us human.

A leap of forty-one centuries and we find our-selves still confronted with the same questions that drove the prehistoric Britons to build Stonehenge. How does the universe work? How did it begin? Will it ever end?

The Hubble Space Telescope will help us solve these primeval mysteries. Once in Earth orbit, the telescope will be able to detect objects as far as fourteen billion light-years away, which is to see fourteen billion years into the past; past the birth of the Earth; past the birth of our galaxy; to the very beginning of time

The Space Telescope represents a momentous leap in the history of mankind. The builders of Stonehenge must have felt themselves on the verge of the same kind of moment as they discovered that creation actually had order. Within our own grasp



Getting a feel for the complete process

Charles Batchelor on civil servants in small business

sk most small businessmen how they like to conduct their dealings with government and the answer is likely to be "as infrequently as possible." For the harassed owner/ manager, government usually means regulation, red tape and the taxman probing into his

So negatively disposed are many small businessman to authority that government grants frequently go unused and government training schemes treated with suspi-

Now, however, despite these deeply entrenched attitudes, more and more managers are inviting civil servants into their businesses, giving them a free run of their operations for anything from a week to three years - and enjoying the expe-

These companies are benefit-ing from increasing enthusi-asm in Whitehall for second-ment programmes, which send civil servants out into the world of commerce and bring businesspeople into govern-ment. Civil servants have traditionally been seconded to large companies and to com-munity or charitable organisa-tions (some of which support small businesses) but a small but growing number is now working directly with small

The companies benefit from the skills, contacts and the fresh approach of the secondee while the civil servants broaden their experience, see government from the point of view of the private sector and, often, boost not only their promotion chances, but also their self confidence. In recent years, they say, this has been eroded by the perceived attitudes of

the private sector. Big business, which is easier to identify and can more easily accommodate a secondee, continues to attract the larger numbers but small business secondments are increasing as the overall numbers rise. In 1987, 278 civil servants were on long-term secondment (of three months or more) with industry

and commerce - more than

four times the number of a decade earlier. One of these is Frank Coaker, a 42-year old senior executive officer who worked for 10 years in Customs and Excise and another 10 years in the Department of Trade and Industry before being seconded to INDAB Management Services. INDAB is a Manchesterbased private consultancy which helps companies apply for the bewildering range of national, regional and Euro-pean support schemes.

coaker had headed the grants section of the DTT's Liverpool office, dealing with applications for regional selec-tive assistance before joining INDAB. He is now approaching the end of his three-year spell spent on the opposite side of the desk arguing applicants' claims for similar grants. INDAB, with just five profes-

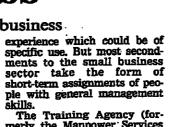
sional staff of its own, had been impressed with Coaker's work at the DTI and applied for him to be seconded to the company. Tony Budd, an INDAB director, says Coaker has brought invaluable skills and knowledge to the company and he wants him to stay on permanently when the second-

ment ends.

If Coaker does rejoin the DTL however, there may be a benefit for small companies enerally from his contact with the world of commerce.

"In government circles everything tends to get put into convenient boxes," he says. "The official idea is that companies will fit into a particular category and that they are there to fill in forms. After this secondment I will have more respect for the people I deal with. If I ever have an influence on the way the rules are formed I think I would make a lot of changes."

One important way in which a small business like INDAB differs from a large government department is in its informality and flexibility. "Work in a government office is more clear cut," says Coaker.



merly the Manpower Services Commission) has seconded no fewer than 1,600 members of staff to outside organisations over the past three years under its Professional Development Programme; some have gone to small companies.

"The benefit of working for a small company is that you can get a feel for the complete process in a relatively short time," says Barrie Moreton, human resources development manager in the Training Agency's north west region. "It takes longer to absorb this in a big company; in the smaller busi-ness you can bring your experience into play much faster."

Moreton spent a short-term secondment with Metal Closures Rosslite, a manufacturer of expanded polystyrene prod-ucts based in Formby, Lancashire, with some 80 employees and £2.5m of sales. Rosslite, (part of the publicly quoted Metal Closures group), asked Moreton to recommend improvements to its control systems to reduce waste and improvements the man it recorded. improve the way it recorded the movement of materials through the factory.

"It was good to have someone come in completely 'cold'
-if you are close to the prob-lem you often don't see it." says Peter Hart, commercial

For his part Moreton says the experience helped him to tailor his training programmes to the needs of companies like Rosslite while, more generally, it boosted his self confidence.
"If you work in the civil service, you tend to undervalue your own skills," he says.
"The biggest benefit for civil service is the boost to their

servants is the boost to their self-confidence," agrees Linda Broadhead, staff development manager in the Department of Employment's Newcastle Coaker went to INDAB on a office. "They can demonstrate lengthy assignment and with just how professional and com-



petent they are."
Andrea Molyneux, who manages a £4.5m training budget for the Training Agency in Bol-ton, says secondment taught her that many of the problems of small manufacturing busi-nesses are similar to those of a clerical organisation like the agency.

Molyneux was assigned to

Fothergill Engineered Fabrics, a £13m turnover subsidiary of the Courtaulds textiles group. to advise on how it could improve communication with its 250-strong workforce spread over three factory sites on the outskirts of Rochdale, Lanca-

"It had taken the management a long time to realise that the staff might be interested in what happened to their products after they had left the factory," says Moly-neux. "They had a problem of motivation and morale."

As a result of her recommendations the Fothergill management introduced a system of notice boards for keeping staff informed and arranged trips to customers' factories so they could see what became of the high-tech fabrics they were producing. She also suggested improving the training for the shop floor workers nominated run the company's team briefing scheme.

Many companies might have called in a consultant to solve a problem like this but Alan wson, Fothergill's manufacturing and technical director, says Molyneux brought a fresh approach because she did not have an industrial or consultancy background.

"Consultants give you pro-fessional answers when often what you require in industry are people solutions," he adds. They also think of expensive

Civil service secondees not only bring a variety of manage-ment skills which are often in very short supply in the smaller company - they can also plug the small business into government support schemes for which they may be eligible and even, occasionally, borrow equipment which is not available in the organisation to which they have been sec-

Most secondees welcome the freedom they have to take their own decisions within a smaller organisation. George Brash, a Department of Employment secondee to Project North East, a Newcastle-upon-Tyne-based enterprise agency, says: "You decide yourself what should be done. That is a unique experience for a civil servant."

But not all civil servants adapt painlessly to working in a small organisation with only limited resources. One enterprise agency manager recalls a secondee who was on the verge of spending a sizeable sum of money on the grounds that it was in the budget. He was

stopped just in time and told that, unlike the civil service, the agency did not have to return funds it had not man-

aged to spend.
At INDAB Management Services Tony Budd says the one area where Frank Coaker did have to adapt was in realising that his and the company's time were money. Coaker had to learn to estimate how long a project would take and negoti-

ate the fee with the client. Essential for the success of a secondment is a clear programme of what has to be achieved, warns Andy Powell, head of secondment pro-grammes at the Action Resource Centre, which runs business and community programmes. It must be discussed in advance by the seconding organisation, the secondee and the husiness to which he or she is to be assigned. Done well secondment can benefit all three, he says.

"There is a stereotyped image of the civil servant which a secondment can help overcome," says Frank Coaker. Government systems are actu-ally very well tested, he feels, whereas companies are often badly run because their systems don't work well." "We tend to underestimate

the organisational abilities of civil servants," acknowledges Fothergill's Alan Lawson. "But they have a lot to offer. Industry would benefit if schemes of this kind were expanded."

Growing faster with maturity

Charles Batchelor examines the high-flyers

engaged in the high technology area. In fact, both these preconceptions are incorrect, according to David Birch, the US academic and small busi-

ness consultant.
The fastest growing compa-nies – measured in terms of numbers of new jobs created - are more likely to be well-established and in the field of general purpose, low-tech man-ufacturing, Birch writes in Inc*, a US monthly magazine for growing companies. It is these companies which grow by taking on new management, developing new techniques or taking advantage of changes in

their market place.
Among companies four years old or less nearly 10 per cent grew rapidly but fast growers among companies which had been established for between five and 39 years represented only around 5 or 6 per cent. Only when companies pass their fortieth birthday does the percentage of fast growers start to rise again.

Between 40 and 49 years 6.5 per cent are rapid growers, rising to 9.4 per cent of those aged 50-75 years and 13.1 per cent of those of 75 or more.

This concentration of rapid

growth among older companies is not, as one might suspect, due to the fact that they have

The popular image of the fast growing company is of a young concern lated growth. More than twolated growth. More than twothirds of fast growth companies aged 10 years or more are still small - employing fewer than 100 people - when they start on their rapid growth

phase. Older companies may be more capable of growth because they have accumu-lated the cash flow, wisdom and experience to recognise and take advantage of opportu-nity when it presents itself.

Nor is it true that fast growth is concentrated among high technology businesses or - the second most popular preconception - eating and preconception — eating and drinking establishments. Both sectors provide only a small percentage of fast growing companies — 2.1 and 3.2 percent respectively. Non-high technology manufacturing companies on the other hand account for 15.8 per cent of fast growers aged 10 years or more. growers aged 10 years or more.

Companies can grow rapidly at any stage in their histories, Birch says. But older companies are not only more likely to show rapid growth, their lengthy experience of the busi-ness world means they are also less likely to fail. *88 Commercial Wharf, Bos-

ton, MA 02110. Tel (617) 227 4700. 12 issues \$45 (outside US and Canada).

In brief...

A seven-day business enterprise programme of training for self-employment and running a small business will be held in Colchester, Essex, starting on December 12. The programme, which is free, comprises one one-day and three two-day sessions spread over five weeks.

Contact Business + Commerce + Industry Fellowship, Lawley House, Butt Road, Colchester CO3 3DG. Tel 0206

M A two-day workshop on Time, Stress and Crisis Management for small business owner/managers will be held on Monday and Tuesday 23 to 24 January by the London Enterprise Agency. The work-shop includes practical exer-

cises on the causes and meanings of stress and group participation using individuals worksheets. It costs £70. Contact LEntA, 4 Snow Hill, London ECIA 2BS. Tel-01 236

The politician who has done most to help small businesses is to be honoured under a new. award scheme announced by the National Federation of Self Employed and Small Businesses and Tollit & Harvey, a stationery company. The "Guildhall" Helping Hand Awards will also go to the individual or organisation which has done most to help small firms.

National Federation, 140 Lower Marsh Street, London SE1 7AE. Tel 01-928 9272.

BUSINESS OPPORTUNITIES

Cash Flow Eased at Reasonable Rates

If your company has sums of money tied up in good quality debtors you can turn them into immediate cash using either bills of exchange or an invoice discounting facility at rates of interest that may be less than your bank is currently charging you.

CL-Alexanders Discount p.l.c. established in 1810, one of the members of the London. Discount Market Association, have for many years specialised in trade finance.

For further information please write or phone:



65 Comhill London EC3V 3PP Tel: 01-626 5467
Commill London EC3V 3PP Tel: 01-626 5467
Foultmer House, Foultmer Street, Monchester M1 40V
Tel: 061-236 9863



SUCCESSFUL BUSINESSMAN Recently sold own business for substantial sum, has funds and time for involvement in any of the following:

icy ons from other persons in similar position. I have many years experience in the manufacture and sail

Replies in strictest confidence to Box F8588, Financial Times, 10 Cannon Street, London EC4P 4BY PREVIOUS RESPONDANTS PLEASE RE-APPLY

IN THE STRICTEST CONFIDENCE

PACKAGING
We are now able to offer a personal and confidential consultancy service for all aspects of the corrugated industry. From the U.S.A. through Europe we undertake work for fully integrated corrugator plants or domestic independent sheet plants. For that major decision BILL THOMPSON

WCT ASSOCIATES LTD 99 NEWMARKET ROAD, NORWICH, NORFOLK, NR2 2HX, ENGLAND. Tel (0603) 250762 Fax (0603) 250756

MADRID OFFICE BUILDINGS INVESTMENT REPORT

Further details contact: INTERNATIONAL ADVISORY

GROUP S.A.
cj. Jachto Benavente 3-3-1 Marhella
(Makago) SPAIN 29000.
Tel.: 052-521712 Telez: 7632 IAGSA E
Fax.: 053-825362

COMMERCIAL FINANCE

Competitive Rates
10.5% Fixed Interest Mortgages
Business Finance to 80% of cost
Aust-based Finance Construction SOVEREICH INSURANCE INSULTANTS (LONDON) LTD Tab 01-379 6322 Fee: 01-379 4151

(puira)

DEVELOPMENT CAPITAL

Appleton Holdings Plc wishes to hear from profitable private companies requiring capital to realise their full potential. Tel: Roderick Gordon 01-748 9020

FINANCE YOUR STOCK

We offer a unique stock finance facility to manufacturers and nerchants and are seeking to expand our client base. If you require stock tinance please apply in writing to: Churchill Merchanting Limited, 138 Buckingham Palace Road, LONDON SWIW 9SA

Telephone: 01-730 8428

For projects of sufficient size, we will provide full operational and commercial Management either short-term (for non-hotelier third parties with a holding situation need) or on a continuing contractural basis for developers or building owners and others. Ultimate discreet disposal effected if required. We will also Lease or consider Lease-backs. We are a small very experienced hotel management company with sound corporate, marketing and operational skills and able to offer first class financial and performance references. Members of the Board cover operations, UK and foreign group and individual marketing links, financial management and control.

The Corporate also operate as principal in the hotel industry and financial management and control.

The Company also operates as principal in the hotel industry and potential clients would be welcome to make their assessment at first hand.

HOTEL MANAGEMENT ASSIGNMENTS

UNDERTAKEN

by personal visit should they wish. Strict confidentially will be maintained.

The Managing Director
Carnaryon Hotels Limited
Head Office: Carnaryon Hotel, London W5 3H/N
Telephone: 01-992-5399 Telex: 935114 Fax 992-7082

ESTABLISHED STORAGE BUSINESS SEEKING NEW OPPORTUNITIES

Good quality warehouses located in Worcestershire, Northamptonshire and South Humberside with a total area of 280,000 square feet.

We have good stock control systems and staff who are keen to give excellent customer service.

If you have need for large scale warehouseing dedicated to your own Box F8586, Financial Times, 10 Cannon Street, London EC4P 4BY

Data Processing and Publishing Company seeks Investor/ Equity Partner

Data processing, directory publishing business, specialising in very topical field, and corrently without competition, urgently requires investor/equity partner to assist funding its major growth period. Finance in excess of £500K. Principals only, apply to:

Box F8587, Financial Times, 10 Cannon Street, London EC4P 48Y

WE WILL FIND YOU MORE BUSINESS We are a marketing/promotion consultancy which plans and implements.

without bias to method or medium, whatever is necessary to increase your sales. Our professional advice is based on both affordability and areness of costs. We follow through to ensure results.

Michael Lazarus Associates 242-244 St. John Street London EC1V 4PH Tel: 01-250 3988 Th: 896559

ROLL-OVER RELIEF

is your 3 yearstime limit coming to an end? If so we can extend this period by up to 10 years and restrict your reinvestment to only 15% of _____ the sale proceeds. _____

Write to us for details in the every that you have disposed of assets, not shares for a

Box No. F8490 Financial Times 10 Carmon Street, London EC4P 4BY.

DEVELOPMENT _... FUNDS.

available to expanding companies seeking £50,000-£500,000. Lynham Developments

Limited 12/13 Henrietta Street London WC2E 8LH

AGENT REQUIRED To sell British made brake lin-ings and American made fan belts, for old cars and trucks, at manufacturers' price, all over African and Middle Eastern

market Prompt delivery. Good relationship in the car trade. Please contact Manuel Ferreira & Filhos Lda, Roa de Santa Catarina 294, 4000 Porto -Portugal. Telez 26851 MAFER

English Solicitor

and Property now living in Palma De Mallorca seeks interesting and remunerative connection nd remunerative values of with person or company with recreasemation in Spain. equiring representation in Spanish Speaking.

Reply c/o The Old Rectory, Freefolk, Whitchurch, Hampshire or by FAX to 010 34 71 451565

ENGINEERING - PRODUCTION

We are a long established bus and truck unit manufacturer and have

- hydranlic maits.
- Repair of electrical, electronic and radio units.

Servicing of commercial road vehicles and passenger vehicles.

566 Chiswick High Road London W4 5RR Tel No. 01 994 7024 Fax No. 01 747 1897

FINANCE FOR EXPORTS IMPORTS & UK TRADE

BACK TO BACK LETTERS OF CREDIT Finance suited to your requirements ELKA FINANCE LTD. 8/14 Orsman Road, London, N1 5QJ Tel: 01-729 0405 Telex: 268600

BUSINESS DEVELOPMENT CONSULTANTS (B.D.C.)

TEL: (0325) 57485

COMMUNICATION SYSTEMS COMPANY

Write Box F8590, Financial Times, 10 Cannon Street, London 5C4P 4BY DIRECTOR

Write Box F8595, Financial Times, 10 Camou Street, London BC4P 48Y

One 3000 sq. m. building plot in prime position - "Mayfair of the Algarve". Planning permission for 4 bedroomed luxury villa £150K.

Tel: 0252 727212

count expanding UK importing and manufacturing company wishes to make contact with non UK manufacturers of materials or finished products. Phone contact: Malcolm Willens, White Angel Co., Patrond Road North, Hatimate, Notts. NG17 2JU.

PROBLEMS?

So if we can assist in your excess production needs or develop a facility for your product lines contact W S Laird, Bus Engineering.

Company in strong market position, provides design, supply and stallation of radio broadcast and

VENTURE CAPITAL

available part time to assist growing companies find new sources of capi-

ALCARVE BUILDING SITE QUINTA DO LAGO - GOLFE

WANTED HOUSEHOLD TEXTILES

- spare capacity available in the following areas :-
 - Assembly and repair of diesel engines, gearboxes, axles and
 - nyeranic umis. Reconditioning of most vehicle engineering components (differentials, transmission units, injectors, flywheels etc).
- Manufacturer of seats and destination blinds.

 Painting of large road vehicle of all kinds.

HORSE RACING

lavite professional individuals interested in forming a Syndicate (max. 15 persons) to own and race 8 horses with Trainer Of the Year David Chapman, for a period of two years. Estimated financial commitment: £15K.

Unique Publishing Venture with unlimited potential seeks cash injection to finance expansion plans in 1989. Principals only write Box F8594.
Financial Times, 10 Camon Street.
London EC4P 4BY

Improve Profit

Opportunities Marketing skills for individuals and small groups by Philip R. Lund author ing Selling (Papermac) 22 01-402 4777. Fax: 01-258 3635 or (024029) 376.

MAJOR LENDERS WANTED

Growing American Company seeks \$10 million loan. Interested lenders please send enquiries lo; The Beverley Corporation, P.O. box 948, Marblebead, MA 01945, USA

LOOKING FOR A BUSINESS? If you want to buy or back a business Venture Capital Report gives details of 450 specific opportunities pa For full details without obligation contact:

VCR, 2 Sestua Road, Heatey as Transet RG9 1DY Tel: 9491 579999 A member of FIMBRA

PRECISION ENGINEERING COMPANY Situated West of London seeks further "Sub-Contract" operation located outside the London area, where a suitable workforce is more readily available.

We are highly successful but our management is frustrated in the present location due to lack of labour and high overhead costs, consequently prohibiting expansion and diversification.

We are prepared to out-right purchase, amalgamate or integrate existing production to the mutual advantage of both companies.

A product range would be most welcome especially if our in-house capabilities could be further utilised.

All replies will be treated in Strict Confidence.

Please reply - Principals only - to:-

Reference DGK, Daman Financial Services, 22 Oldbury Place, London W1M 3AL

PRINTING EQUIPMENT + CONTRACT Retailer of kitchen furniture wishes to dispose of own printing facility. Equipment and twelve month contract would be of particular interest to a printer wishing to move up from single to four colour work. Replies in writing to G. Milton-Jones, Winchmore Furniture Ltd, Chiswick Avenue, Mildenhall, Suffolk 1P28 7BE

TYRES TYRES TYRES One of Europe's largest stockholders of tyres and tubes for the African Stocks in excess of

We also buy excess stocks of tyres. United Tyre Co. Ltd. 75 Queens Road, Clifton Bristol 8S8 1QP UK Telephone 0272-299291 Telefax 0272-214650

£112 Million.

Telex 449607 UNITIR G FLORIDA INVESTMENT SEMINAR

8th Dec at the American Chember of Commerce The laws/Table/The Prisals THE MANY OPPORTUNITIES from \$100,000 tool Hobsts/Models/ Dang Commented pro Land. Call 0202/417124/422782 or Fax 0202/417831 for details.

HOUSE TRAVEL AGENCY For Merger and/or Acquisition GREATER LONDON/ THAMES VALLEY IATA/ABTA
Group involved in the U.K. for over a decade. Please reply in confidence to: Box F8574, Floracial Times, 10 Comon Street, Landon EC4P 48Y

U.S. TRAVEL AND MARKETING GROUP SEEKS

SUBSTANTIAL BUSINESS

LEASING AND RENTAL

Widely experienced consultant with extensive knowledge of the market and good connections has expectly for add-thoust specific assignments. Possible full time involvement. Capital and funding Write Box F8580, Financial Times, 10 Cannon Street, London EC4P 4BY

MORTGAGES Personal and Commercial and Business Finance. Minimum Isan \$100,000 Yet: The Trump Organization 0932-656469.

INTERNATIONAL COMPANY SERVICES LTD -

Incorporate and stancese companies in:

UK, lete of Man, Gibraltar, Turks,
Anguilla, Chanael Islands, Panama,
Liberia, Hong Kong etc., and growlde
full denticitary and nominee services.
Brochure and details of fees from:
Springfield Gourt, Wew Castletown
Road, Douglas, Jole of Man.
Tele (0624) 26000 Fare 0624 20386
Televis 5228554 ICSIOM G

Landon Learnessenators London representative: International Company Services (UK) Ltd., Standbrook House, 2-5 Old Bond Street, Lendon W1. Tel: 01-453 4244 Fax: 01-491 0605 Th:: 28247 ICSLON 6

UNITS IN
WEST END TRANSFER OF
TOM STOPPARD'S
"ARTIST DESCRIBING A STAIRCASE"
Parishcrait <u>Ltd.</u>
bul Bloch) 01–226 0364 This advertisement has been approved by a firm regulated in the conduct of investment business by the Law Soci-

PARIS - OPERA

PRESTIGIOUS & EFFICIENT **BUSINESS CENTRE** TEL. 33.1.42.60.01.60 FAX. 33.1.40.15.09.02

INDEPENDENT FINANCIAL SERVICES GROUP Comprising 6 Companies

In-house Fund Management
Direct Sale Force
Accountancy Services
Share Dealing Centre
Executor & Trustee Company
Annaire & portfolio preparation Tax planning & portfolio prepi

Senior partner wishes to retire and to dispose of his share. Write Box F\$592, Financial Times, 10 Cannon Street, London EC4P 48Y CENK LIFE

& Software

STATE OF THE WAY A

學起於 逐渐之为 。

ALL PRINCIPLE AYCHIA E BOR

1.1

IBER 6 1925

he high fran

#E = 222

S COLUMN TO SERVICE STATE OF THE SERVICE STATE OF T

136

in the same

i in the

11.0

7.7.7.2

TraT at

and.

Et Car

12.55

get torke

r far i 🚎

四亩****

Marie .

200 A

. **18**41-199

****** \$43 = 1

经联系统 2000

وسنفوشتها

See the second second second second

NT + CONTRA

4

25 75° · · ·

Carrie .

翻 和自己

Mi *

12370 -

3

सरमाँ सन् । ... क्षेत्र रहता । ...

A ELL

製造されている。

ations to the f

100 mm

ENG CONTRIN

.....

. . . .

-11 of the

37. S. S. 18.

1.141

\$ 02.5 E 12

*

BUSINESS FOR SALE

FOR SALE **Home Improvement Group**

- Operating in the South Midlands and the South West
- Integrated manufacturing base
- Strong market position

For further information, write to box number RMA, Reynell & Son Ltd., 144a High Street, Epping, Essex, CM16 4AG. (Principals only).

> BY ORDER OF THE JOINT ADMINISTRATORS MICHAEL JEFFREY ISAACS FCA AND DAVID SWADEN FCA in the matter of

M. R. VINTEN (ROSSENDALE) LIMITED

Offers are invited for the property assets (as a whole or in part) of the above company, comprising a fully equipped nursing home of the highest quality (in a dass 2 listed building) and 15 individual retirement dwellings. The development is situated at Heightside House, Newchurch Road, Rawtenstall, Rossendale, Lancashire. Enquiries to: M J Isaacs FCA:

LEONARD CURTIS

Assets comprise:

- Unisys B1985 System

- Unisys B1980 System

Software Copyrights

£170,000.

1988 was £710,880.

Peter Flesher at:-

- Freehold Property

Computer Hardware

& Software Distributor

Brighouse, W. Yorkshire

Customer Support Agreements with a

total income over the next five years of

For further information contact the Joint

Authorised by the Institute of Chartered

Turnover in the year to 31st January

Administrative Receivers, Scott Barnes or

Grant Thornton, St Johns Centre

Fax: 0532 465055. Telex: 0532 557362.

Accountants in England and Wales to carry out investment business.

PRODUCTS

nelede Assetzed, Toshibe, Opus and Olivetti.

es has an annual turnover in exches of \$3.5M and currently

Por the further details please contact:

Tim Brock, Great Thorston
ody Turne, 24 Chode Cusassemiy, Stratinghem 94 65.

Tak 621 384 6421 Fee: 521 285 6257
by the Institute of Clustered Accountacts in Engian

110 Albion Street, LEEDS LS2 8LA. Telephone: 0532 455514.

Grant Thornton

Grant Thornton

Offices are invited for the business and assets of QRH Management Limited.

Chartered Accountants 3rd Floor, Peter House, Oxford Street, Manchester M1 5AB. Tel: 061-236 1955 Fax: 061-228 1929.

BY ORDER OF THE JOINT ADMINISTRATIVE RECEIVERS MICHAEL JEFFREY ISAACS FCA AND PETER SCHOLEY DUNIN FCA in the matter of

R. W. S. ELECTRONICS (WHOLESALE) LIMITED

Offers are invited for the business and assets of the above company which trades as a wholesaler of public address, TV and video equipment and spares from modern, long leasehold premises in Central Manchester.

Turnover in excess of £650,000 p.a.

Enquiries to: M J Isaacs FCA

LEONARD CURTIS

Chartered Accountants 3rd Floor, Peter House, Oxford Street, Manchester M1 5AB. Tel: 061.236.1955 Fax: 061.228.1929.

Medium sized

TOOL HIRE

- 11 established outlets in areas of high economic activity
- professional management
- servicing the trade and DIY
- geared for expansion to 40-50

Please write in first instance to:

Clifford Chance (Reference MER) Royex House manbury Square London EC2V 7LD

Debt Recovery

excellent client.

Principals only Times, 10 Cannon Street, London EC4P 4BY

Plant and transport business for sale Midlands based Profits over £1M Excellent growth prospect

business for sale, commission £48,000 p.a.

Write Box H4157, Financial

Principuls only write Box H4161, Financial Times, 10 Cannon Street, Lendon EC4P 4BY

Immaculate Freehouse/Country Hotel,

CHRISTIE & Cº

On the instruction of M. Palios, BSc, ACA, MIPA of Arthur Young, Administrative Receiver of Owen Martin Management Ltd.

Rose and Crown Hotel,

Wisbech, Cambridge

Refurbished 18th Century Coaching Inn., 21 letting rooms, 2 bars, restaurant and functions room. Projected turnover £305,000 ex VAT. Listed in the 1989 Good Pood Guide and Good Hotel Guide.

Offers over £200,000 L/hld. Ref: 14/43228/FT

Contact: Timothy Gooding
16 Lower Brook Street, Ipswich IP4 1AP
0473 56588

South Devon
Outstanding 3 star Country House Hotel, 20 bedrooms, 2 acres,
owner's 3 bed cottage. Turnover in region of £250,000.
£725,000, F/hld. Ref: 32/45966/FT.

31 Queen Street, Exeter EX4 3ST

0392 59371

Uniquely located Hotel, Sussex
Magnificent property set in over 40 acres. 7 bdrms, outline
planning to develop a further 20 with function suite, lounge bar,
cellar bar, restn't (50 cvrs). Tremendous business development.
Substantial offers invited for the Freehold. Ref: 4/5149/FT.
Contact: Jeremy Wallis-Frost

Commercial Hotel, Bedfordshire
Prime trading site, 18 letting bedrooms, 4 en-suite, restaurant,
owner's flat, high turnover. Offers in excess of £640,000, F/hld.

Ref: 4/5158/FT.

Buckinghamshire
5 immaculate letting bedrooms, 4 en-suite, possibility for a further
2 or owner's accommodation. Large bar, restaurant, lounge.
Substantial turnover. Offers in excess of £560,000, F/hld.
Ref: 4/5146/FT.

Picturesque Cotswold Hotel

10 letting bedrooms, restaurant, owner's accommodation, large car park. Offers in excess of £550,000, F/hld. Ref: 5142/Ff. 50 Victoria Street, London SW1H 0NW. 01-799 2121

LIMITED COMPANY FOR SALE

NET ASSETS £89K AT 11/4/88 EST. CURRENT RETURN £34K pa (before tax and interest) POTENTIAL RETURN £55K+ pa PRICE ASKED FOR GOODWILL £110K

Contact Philip Burgan on (0532) 567904

AUTO PARTS

One of Europe's biggest organisations within sale of spare parts for sale. Write Box H4177, Financial Times, 10 Cannon Street, London EC4P 4BY

DIVERCO Sell Companies

SELLERS and BUYERS

DIVERCO LTD. 4 Bank Street, Worcester WR1 2EW, Tel: 0905 22303

Contact in confidence:

Nationwide

For Sale

West Yorkshire Based

HIRE

PURCHASE

COMPANY

Gross agreements

400K+. Offers invited

for agreements or

company. Apply:

Heaton Lumb Lisle

Chartered Accountants

32a Church Lane, Pudsey LS28 7RF

FOR SALE IN GREECE

Halandri, Athens, luxury trade

Halandri, Almeda, luxiny trade centre 4850 sq.m. with 70 highest standard shops, roof garden, panoramic lift, ready to occupy. Sole asset of societe anonyme which may be acquired in toto.

Michael K. Assimomitis S.A., 31

Tel.(01) 6469328-9 Teles: 210428 MKA.

BUSINESS IN FLEXIBLE

FOR SALE

PACKAGING

ias Ave. | 1523 Atl

40 bed purpose built Nursing Home under construction in Greater Belfast area

Will be fully DHSS registered on completion Offer circa £1 M. Principals only Write Box H4162, Financial Times, 10 Cannon Street, London EC4P 4BY

RETAIL CARPET WAREHOUSE

esful business located in excellent freehold premises on edge of cessed bashess located in execution receive premises on eage or town/trunk road site in prime area.

Carrest immover £2m pa. Trading profits circa £400k pa. mises 20,000 sq ft on 1.25 acre site. Potential for expansion into Furniture/DIY/Garden Centre.

Principals apply only to: Best H4168, Financial Times, 16 Camon Street, London EC4P 4BY

Due to impending retirement a Litho printing company with modern plant. Considerable potential for expansion. Conveniently situated in a pleasant rural part of Surrey. Net profits before Directors empluments 5 year average £100,000 per amoun. Substantial asset backing, no borrowings. Offers over £400,000, Freehold property available if required.

Apply to:

Ballo Swayne, Chartered Accountages, West House, West Street, Haslemere, Surrey GU27 2AB

ACQUISITION **OPPORTUNITY** Northeast USA

- Largest cinistmes omen manufacturer in U.S.A.

 • Mans merchandise markets \$2.3 mm pre-tax profits on \$8 mm revenues (U.S.)
- Strong management
 Poised for rapid growth Reply to

Doughe Watson, P.O. Box 7647 Touneek, NJ USA 07666 (201) 692-1600

The Netherlands sing company for sale Attractive terms. Company operates in

Benelux countries. Portfolio £7m. Attractive prospects and business ideas. For more information write or fax to the Managing Director, Target Leasing b.v. P.O.Box 302, 5600 AH Eindhoven, The Netherlands, fax int + 31.4927.63295

UNIQUE KITCHEN BEDROOM + FURNITURE MANUFACTURER

with large manufacturing capacity. 1988 sales £3 million, 1989 projected sales £7 million. Fantatic opportunity for the right company White Box H4174, Figurated Threes, O Cramos Street, London EC49 48Y

UK Company with revolutionary American Technology It newly issued European patents No technical experies required for success, only marketing and sales effort. TEL: (0732) \$84101 FAX: (0732) \$85903

FABRICATION COMPANY FOR SALE OR MERGER

£1.8M. Profitable. Net assets £200K. Substantial blue chip

order book. Write Box 84159, Financial Times, 16 Courses Street, London BC4P 4BY

Humberts

Chorleywood College, Chorleywood,

Hertfordshire

A superbly located Grade II listed college in an attractive wooded setting adjoining Chorleywood Common An outstanding opportunity for

developers and institutional purchasers Substantial Mansion in French Renaissance style with a gross internal area of about 36,000 sq ft. Cedar House (10,000 sq ft) Gate Lodge and Stable block.

in all about 21 acres

With a Committee approved planning brief identifying a range of acceptable atternative uses for the main building together with residential development opportunities within the grounds. Freehold for sale as a whole or in 6 lots

Humberts, Chartered Surveyors

17a The Broadway, Hatfield Hertfordshire AL95HZ 25 Grosvenor Street nndonW1X9FE Tel: 07072 75351 Tel: 01-6296700

Manufacturing Company

South East England

Leading company manufacturing and supplying to builders merchants, stores and hardware outlets. Profits per year around \$700,000

For further details contact Dick Strover or Martin Rooney at Deloitte Haskins & Sells, Tel: 01-681 5252. Pax: 01-760 0897.

Haskins+Sells

NORTH CORNISH COAST

Superb 6-bed country house with 6 holiday cottages (PP for further 6). Approx 2 acres, close to famous surfing beach. Enormous potential with main house suitable for conversion to self-contained units (subject to PP). Freehold £600,000. Ref: 499/066L.

MILLER LEISURE

Mansion House, Truro. TR1 2RF. Tel: (0872) 74211

Fax: (0872) 42455

FOR SALE

Essex based company importing components for the electronics industry. Turnover in excess of £400,000, good profitability and excellent prospects for expansion. Offers over £160,000 considered. For further particulars please contact: Brooks Carling, Chartered Accountants, Addept House, 34a Sydenham Road,

Croydon, Surrey. Tel: 01 680 0407

BUSINESS FOR SALE DISTRIBUTION The Company, a Distributor of building materials, ancillary equipment covering a wide base of users and re-sellers, is for sale.

Strategically located Distribution Centres, fully integrated on-line computer system (1988), good clean stocks, manager during 1988. Will require Managing Director.

The Company is servicing several bouyant market segments, with excellent opportunities for the future. Write Box H4169, Florancial Threes, 10 Common Street, London ECAP 4BY

CONTRACT PACKAGING AND VACUUM **FORMERS** Highly successful company with established clientele.

Turnover £650,000 p.a. Substantial return on capital Proprietors wishing to retire but willing to remain for limited period. Long leasehold premises with ample scope for

Write Box H4158, Financial Times, 10 Cannon Street, London EC4P 4BY

expansion.

MARINE COMPANY for sale as a going concern.

Hiring vessels and personnel to the dredging industry. Almost unique position in the market. Established 14 years, Turnover £500,000. Assets employed £500,000. Good Profits. £asily managed and would integrate well with plant hire or civil capitaering company wanting marine involvement.

Write Box H4171, Financial Tance, 19 Cannon Street, London EC4P 48Y

AN ESTABLISHED CHAIN OF PRIME RETAIL UNITS

THE BUSINESS EXCHANGE

OFFERS FOR SALE

Currently trading in photographic goods with film processing minilabs High Street locations in Northern UK

- Average size L500 sq. ft.
- Turnover £4m last year, £4.5m forecast this year
- Units suitable for alternative use
- Interested parties (principals only) should contact:



Douglas Llambias FCA, ATH or Jonathan Sayer, The Business Exchange, 21 John Adam Street, London WC2 6/G. Tel: or-930 8965, Pax: 01-930 1041.

Mail Order Business For Sale

NEWTONS TRADITIONAL REMEDIES LTD is the UK methet inder in the mie of "own brand" berief repedies and school products to the public by means of prom-advertising and direct mail.

eried making list of over \$60,000 contenent is being used to dis foliowing areas: UNIQUE DIRECT MAIL CO. LTD. General wall order merchandisc catalogus. GREENACRES NURSERIES. Quality plants and builts catalogus. UNUSUAL BOOKS CO. Book publishing and selling.

THE ABOVE GROUP IS FOR SALE, AND OFFERS THE OFFORTUNITY TO ACQUIRE A PROFITABLE BUSINESS WITH SCOPE FOR GREAT EXPANSION, PRICE \$2.544 s. riemenn, Matteeten House, Pluk Green, Broky, Nr. Ruddisch, Worse. 198 9EA

FOR SALE

Holiday chalet park - East Anglian Coast

10.4 acres Gross income £115,000 p.a.

Enquiries: 0376 42589

A W Beckinsale FCA 1 St Peter's Road Braintree, Essex, CM7 6AN

Fabric and Hosiery Dyehouse Recently modernised to dye and finish cotton and mixture knitted fabrics, for sale as going concern. Based in Midlands has capacity to process up to 30 tonnes per week. Principals only write Box H4175, Financial Times, 10 Cannon Street, London ECAP 4BY

FOR SALE

All of the equity of an established & well known manufacturer of industrial waxes with customer base, registered trade marks and an Annual turnover of approx. 2750,000.

Enquiries in confidence to Kingston Smith, Chartered Accounten Surrey House, Surrey Street, Croydon, CRO 1SZ (Ref: CUA) Telephone 01-880-6033

MAJOR U.S. FRAGRANCE BRAND For sale, worldwide rights to this brand in which many

millions of dollars has been invested. Sale includes brand name, formulae, artwork, dies and moulds and inventory. Principals only please.

Write Box H4173, Financial Times, 10 Cannon Street, London EC4P 4BY

BEDDING COMPANY FOR SALE

With a production facility in the West Midlands, this company is at present marketing its product in the retail and contract fields in England. Current turnover approximately £50,000 per month.
Only principals need apply, in the first instance to:

Box H4170, Financial Times, 10 Cannon Street, Lendon EC4P 4BY

Good potential, tax losses available location:- North East. Landon BC4P 4BY

KITCHEN MANUFACTURER 25,000 sq ft leasehold modern factory. Good production facility to

produce high quality self assembly kitchen units. Excellent product range and workforce. Not profitable at present due to low volume. Principals only to Box H4172, Financial Times, 10 Cannon Street,

PETROLEUM **GEO-CONSULTING** COMPANY Well established in

North Sea Write Bax H4176, Financial Times, 10 Common Street, London EC4P 4BY

North Midlands. Turnover

E. (4.00) AUDIO VISUAL SHOW-CINEMA EQUIPMENT ung CHIESA" is a tuli isaken Sim timoma nesting 170. ure of the business the entire contents of the builds buding lighting systems, type mechines, with of Sys a continue, demountable screen, demountable as other and tower sto. ato. Gost in access of \$500,000. Offices are invited with buyers being responsible for dis Grant Thornton YACHTS & POWERCRAFT LIQUIDATION SALE Colored States

WE INVITE OFFERS IN

aser

PENEFSTER

Connaught MacMillan Paper Limited (In Receivership)

Connaught MacMillan Paper Limited is one of the top 30 U.K. paper merchants specialising in the distribution of coated, uncoated and carbonised papers. Operating from a centralised warehouse and distribution centre in Sunbury on Thames, Middlesex, with regional sales offices, the Company has developed a strong, regular customer portfolio.

As a result of receivership, an opportunity has risen to acquire the business, assets and undertaking of the Company of which the principal features are:-

*annualised sales of approximately £25m

*well connected and experienced sales force and management team *modern, well equipped leasehold warehouse of 45,000 square feet fully capable of carrying 4,500 tonnes of paper, with 5,000 square feet of offices, adjacent to the M3 and M25 motorways.

The business and assets offered for sale include stocks and goodwill. Sales particulars are available upon request to the joint Administrative Receivers.

C.J. HUGHES and R.M. ADDY, Cork Gully, Shelly House, 3 Noble Street, London EC2V 7DQ. Tel: 01-606 7700, Ext. 3272. Telex 884730 Corkgy G.

01-606 9887 Fax groups 11/111 Cork Guily is authorised by the Institute of Chartered According and Weles to carry on investment business. Cork Gully

FOR SALE

Newly acquired engineering company undertaking rationalisation has for sale specialist access

business with turnover in excess of £1.2m, including highly profitable maintenance and repair contracts. Excellent growth

prospects and current order book. Ideal vehicle for 1992.

Principals only apply Box H4153, Financial Times, 10 Cannon Street, **London EC4P 4BY**

SPORTS DIVING SHOP AND TRAINING FACILITY FOR SALE IN DOTAGE, TURNOVER 100K, Tel: 09295 6106

turateg Homes. Five 1,000 to \$2.5 militie

ROBERTS & CO (WEDNESBURY) LTD IN ADMINISTRATIVE RECEIVERSHIP

The Joint Administrative Receivers offer for sale the business and assets of the above company.

- * Steelwork fabricators specialising in overhead transmission steel work.
- Manufacturers of structural steel buildings. * Annual turnover of £1.5M.
- Established prestige customer base.
- * 40 employees.
- 27,500 square feet of freehold premises within half a mile of Junction 9 of the M6.

Offer deadline - 16 December 1988

For further information and details contact: DC Lovett or DJ Langton Arthur Andersen & Co. 1 Victoria Square, Birmingham B1 1BD.





The Joint Administrative Receivers of Alfra Plastic Containers Limited offer for sale the business and assets of the Company specialising in the manufacture of blow-moulded containers, situated near Slough, Berks.

Blow-Moulding Manufacturer

Interested parties please contact:-D. R. F. Sapte or A. P. Locke, BEGBIES,

MB Wild & Co Limited **J Barnsley Cranes Limited John Barnsley & Sons Limited**

The businesses and assets of the above companies are available for sale as a result of receivership:-

- Design, manufacture and distribution of specialist cranes, hoists and lifting equipment.
- Freehold property in Aston, Birmingham 1 mile from Junction 6 on M6. 25,000 square feet manufacturing
- space. Lifting capacity 50 tons. Annual tumover £3.5 million.
- Good order book approximately £1 million.

Enquiries to the joint administrative receiver: S R F Hancock, Price Waterhouse, Livery House, 169 Edmund Street,

Birmingham B3 2JB. Telephone (021) 200 3000 – Fax (021) 200 2902.



MIDLANDS BASED THRIVING RETAIL SOFT FURNISHINGS COMPANY FOR SALE Seven units. Sales of £5 million p.a. Flighly profitable. to borrowings. Interested in outright sale or "bolting on" to p.l.e. with a view to taking national.

Write in the first instance please to: Clear and Lune, Chartered Accountants, 96 London Reed, Leicester LE2 0QS, Ref: AML

TRAINING COMPANY FOR SALE

Small training company specializing in sales and management training and conveniently situated near motorways in West Yorks. The sale includes fully equipped accommodation on a long lease and a small but high quality cheat list. Would suit a large training organisation looking to acquire good facilities in the north or a start up/expansion ventura.

Gray's Inn, London WCIR 5BP. Tel: 01-405 1219

Write Box H4163, Financial Times, 19 Casson Street, London ECAP 4BY

BUSINESSES WANTED

HOUSEBUILDERS IN THE MIDLANDS

Large quoted company seeks to purchase housebuilder operating in the Midlands area.

Suggested price range £20 - 25 million with now lower limit.

> Write Box H4155, Financial Times, 10 Cannon Street, London EC4P 4BY

PLC SEEKS RETAIL ACQUISITION A well known, long established Quoted Retail PLC is seeking further acquisitions to expand its range of retail activities. We are looking for companies that have already established a profitable multi-location trade from High Street premises, typically 1000 to 2000 square foot selling area, that could rapidly expand with the injection of further similar prime location sites. The structure of the purchase can be tailored to suit the vendors needs. Funds

available £1m to £20m. Write Box H4166, Financial Times, 10 Cannon Street, London EC4P 4BY

STORAGE AND WAREHOUSING

As one of the largest independent and longest established Private Storage and Transport Company's in the U.K. we are looking to expand through acquisition.

if you are the owner or represent a Company engaged in the business of Storage and Warehousing, and are prepared to discuss the possibility of a sale, please contact us in confidence.

Write to Box H4165, Financial Times, 10 Cannon Street, London EC4P 48Y

MAIL ORDER COMPANIES Are you the controlling shareholder of a mail order company with a

turnover between £1/2m and £5m, wanting to realise your investment?

We are actively seeking such companies as part of our acquisition strategy. Your continued involvement in the business is not essential but would be considered.

If this is of interest to you please write to our Chairman at the address below. All replies will be treated in the strictest confidence. Write Box F8591, Financial Times, 10 Casnon Street, London EC4P 4BY

RECRUITMENT CONSULTANCY

Independent specialist consultancy group seeks discussion with other companies in niche sectors with a view to acquisition/
merger. Objective is to build a professional group aimed at USM
quotation in 3/5 years. Businesses should have existing
management, good client base, profits of £100,000+ and scope

Interested principals please Write Box H4164, Financial Times, 10 Camon Street, London EC4P 4BY

AEROSPACE

We are looking to expand our involvement in this field significantly and

Interested parties should contact us in confidence through our advisors quoting:

BUSINESS URGENTLY REQUIRED

Please Contact in Confidence Box F8593, Financial Times, 10 Cannon Street, London EC4P 4BY or Telephone 01 547 1522

A large International Company

wishes to buy a Midlands based Warehousing, Transport and Warehousing, Transport and Distribution business with Turnover of half million to five million. Profit maker or loss -maker, anything considered. Please write to Box H4167, Financial Times, 10 Camou Street, London ECAP 4BY

Builders' Merchant nesses Wanted in Wes South West

A public company wishes to acquire builders' merchants. The business should have a sound management and net profits of £500K to £3M, with growth potential. Print only please.

Write to Box H4112, ul Times, 10 Cennon Street, London EC4P 4BY

ACOUISITION

Expanding public company seeks profitable businesses involved in:-

business forms distribution/ manufacturing direct mail/direct marketing.

Please reply to Box H4129, Financial Times, 10 Cannon Street, London EC4P 4BY

One of the interests of this medium sized fully listed company is in sub-contract fabrication for the aerospace industry.

we are sooming to expand our involvement in this held againstantly and would welcome contact with owners of private companies in this industry. Your company should have a current turnover in excess of £1 million and be an approved supplier. We offer you the opportunity to capitalise on your success to date, whilst retaining management control and sharing in the future expansion.

WASHROOM SERVICE OR SUPPLY

Turnover Up to £3 Million

Private Companies in Construction

Related Industries Major PLC seeks acquisitions with solid managment and proven profits record. Net profits in £1m - £5m band are our target range. Principals only should apply.

Write Box H3987.

LLOYD'S

Financial Times. 10 Cannon Street, London EC4P 48Y

Dormant Lloyd's broking company wanted by serious buyer with insurance only interests. Indemnities will be required. Cash or terms. Principals only. Write Box Fi4168, Financial Times, 16 Casses Street, London BC4P 4BY

COMPANY SEEKS ACQUISITIONS

We wish to acquire businesses in the areas of greeting cards and other designer paper products, consumer stationery, nov-elty gifts and paper and non-paper educational items. Businesses in related areas distributing their products to retailers would

also be of interest. Write Box H4119, Financial Times, 10 Cannon Street, London EC4P 4BY

D. Lamb & Company Limited (In Receivership)

157 Curle Street

OFFERS are invited for the assets are undertaking of the above company which specialises in Pipework Fabrication and Fitting, operating within high quality assurance standards. Located in Glasgow, the assets include Freehold Property, consisting of Office, Works, Machine Shop and Test Area's, Plant and Machinery, Stocks, and Work in Progress. The Company has 35 Employees and the turnover for the year to March 1988 was £1.1 m.

For further information contact the Joint Receivers.

Grant Thornton, P.O. Box 151, 112 West George Street, GLASGOW G2 I QF. Tel: 041 332 7484. Teles: 777726 GT GLW-G.

Grant Thornton

Glade Fencing Company (Voluntary Arrangement)

The Supervisor of the above Voluntary Arran

- ASSETS COMPRISE:
- display area.

 Large leasehold industrial premises on a prime Bristol site.



Oakfield House, Oakfield Grove, Clifton, Bristol BS82BN. Tel: 0272 237000 Fax: 0272 732741 Telex: 449816.

SECURITY PRODUCTS BUSINESS

Manufacturer and distributor of security systems, burglar alarm and other household products. Turnover £1.5m approx. Net assets £600,000. Principals only. Apply to Box H4156, Financial Times, 10 Camum Street, London EC4P 4BY

BUSINESS SERVICES

THE SMALLEST LIGHTWEIGHT ETACS PORTABLE IN THE

WORLD nory 99 * Dual circuit '

Diary function/personal organiser * Adjustable screen display * Metering * Full car pull handling facili-Rosmer 2000 is supplied

Optional accs. available. CALL IMP HOTLINE FOR SPECIAL INTRODUCTORY

OFFER TWO FOR THE PRICE OF ONE: Only £17.99 per week (lease 61-647 1849/1847 (24 hrs) 01-549 3444 (Office hrs)

- TELEMARKETING Screening mailing lists
- Making sales appointments Research
- Response handling/ inbound telemarketing Booking seminar

For full details & prices ring: Marie Lowery IBIS Telemarketing 0727 24777

DESPENATE FOR NEWS OF THE LATEST HI-TECH HELP SÉE NIEW U.S. GOVERN

MEWSLETTER SERVICE TEL GENE AMEY MICROINFO LTD. 0420 86848 25

prect MAE LISTS & SERVICES 100'S of ready-made lists immediately avail-able. Suppliers to leading UK compa-nies. Free catalogue. Market-scan, Freepost. Chichester, Sussex. Tel 0243

USINESS AND ASSETS of solvent and insolvent companies for sale, Susiness and Assets. Tel: 01-035 1164.

PLANT & MACHINERY

From the recent closure of our rion the recent course of our print shop we have available a variety of equipment including 4 and 2 colour, stitching, collat-ing, guilloting and folding markings. All in good order. Sufficient inventory for a busi-

ness start up or will sell individually. Funding and orders possible. Tel: 0252 727212

Glasgow G14 0TS

A.W.T. White and D. D. McGruther, Fax: 041 333 0581.

Authorised by the Institute of Chartered Accountants in England and Wales to carry out investment business.

Smith FCA, invites offers for the business and assets of Glade Fencing Company as a going concern. This Ristol-based firm is engaged in the manufacture and retail of wooden sheds, fencing and related items.

- ASSETS COMPRISE:

 Plant, equipment, forklifts and tools.

 Stock of timber, sheds and associated wooden constructions.

 Shop and office equipment, fixtures and fittings.

 Leasehold High Street shop premises with external
- For further information please contact Mr. J. London or

Stoy Hayward

for sale

Are you a Business

go-getter who needs to keep an eye on the

If so, and you are looking for offices/accommodation (with tusiness support facilities), we can supply both for a week for the

same price as a nights stay in a London hotel.

For further details ring (01) 226 6601

ENTERTAIN YOUR

KEY CLIENTS at Beadlow Manor

Hotel, Golf & CC

Venue of the GM Pro-am 1988. Beadlow Menor offers the perfect ribt of Business and Leisure - For details of Company Golf, Leisure and Conference Services:

Beadlow Manor Shellard, Bedlard

INTRODUCING THE **NEW ROAMER 2000**

complete with desktop charger and spare battery.

MORTGAGES

Europer's lending Finance Counditants HIBSCH INT (Financial Services) LTD IS Berkeley Street, W1 Tel: 01-629 5051 Pax 409-0419

> LIMITED COMPANIES UK, International & Isle of Man IIIEXPRESS

COMPANY REGISTRATIONS LIMITED Epimorth House, 25-35 City Rd. Landson EC.1Y 1AA Telephone 01-583-3277. Telep 887475 OFFICE EQUIPMENT

LARGE QUANTITY OF NEARLY NEW EX-HIRE OFFICE **FURNITURE**

Light oak desks/ Boardroom tables & chairs/Screens/Tables/ Rosewood desks/ Executive chairs & Fire resistant filing cabinets, Tel: 01-549 9339

LIQUIDATED STOCK

2 x Panasonic fax machines group 3 @ £550.00 cach 1 Panasonic A4/B4 copier, print quality £630.00

Telephone: (0892) 862024

FINANCIAL TIMES TUESDAY DECEMBER 6 1988

TIL Leisure Limited

(In Administration)

For Sale, the business and assets of TIL Leisure Limited, a company whose main activity is the assembly and sale of leisure goods. Its two principal

markets are: Greenhouse and garden products
 (ii) Swimming pool covers and accessories
 The assets for sale comprise of leasehold property. goodwill and customer lists, plant and machinery, vehicles, stock and work in progress. Interested parties should contact:

David Stokes Cork Guily 14 Cross Burgess Street Sheffield Tel: 0742 730403



Fax: 0742 752573

CHESHAM. WE REALISE WHAT YOUR BUSINESS IS WORTH.

As the leading merger brokers in Britain, we are in a unique position to provide the most appropriate buyer for your business.

So, if you're thinking of selling your business, contact our Managing Director for a confidential discussion about its real



FDGRA

Purpose built Central Control Station. Due to

retirement £650K. Principals reply to: Box H4152, Financial Times, 10 Cannon Street, ... London EC4P 4BY Fax 051 342 8185

AIRCRAFT FOR SALE

DUNCAN AVIATION

82 Learlet 55-034 76 Learlet 35A-092 81 Embreer Bandelrante 110 81 Citation II-0225 83 King Air F-90-1 #LA-205 82 Learlet 35-458 81 Learlet 55-004 81 Embraer Bandeirani 82 Jetstream 3100-605 72 Citation 1 500-0058

.80 Learlet 250-295

you can have an executive 8-age. ter pressurised aircraft. Piper P Navajo fly over the weather. Low house engine and sirframe. New commercial C. of A. Full

Business opportunities appears every Tuesday. and Saturday. Advertising rates: **Business Opportunities.**

> Business for sale/wanted £44 - minimum 3 cm £13 per line - minimum 3 lines

James Pascall 01-248 8000 ext 3524 Gavin Bishop ext 4780 or write to: Business Classified Department, Financial Times, Bracker House,

10 Cannon Street, London EC4P 4BY

INTERNATIONAL

TAXATION

The Financial Times proposes to publish a Survey on the

21st February 1989

For a full editorial synopsis and advertisement details,

Jacqueline Keegan

Bracken House, 10 Cannon Street London EC4P 4BY.

of this

. .

... .

-- · •

ے

- 21

100

11.

 $\mathcal{P}^{\infty}(\mathfrak{q}_{n+2})$

Part Charles

- -

\$ 550

-1.:<u>-</u> ·

数型 走冠

 μ

Cork Gully

We aim to be in regular contact with the chairmen of most acquisitive PLCs, looking for successful private companies worth between £500,000 and £25m.



Because you only sell your business once. e, 2 Bentinck Street, London WIM 6JX. Telephone: 01-935 2748

N.W. INTRUDER ALARM CO. Long established. Insurance co. approved. Good long term rental Income. Tremendous expansion possibilities.

FOR LESS THAN A PORSCHE

airways equipped including. Tel: 023385 225

Single column centimetre -£48 Lineage - £14 per line

For further details please contact:

above on

please contact:

on 01-248-8000 ext 3740 or write to her at:

FINANCIAL TIMES

SELL

Alkan Festival

PURCELL ROCK

MBER 5 1988

Of The Later of

d accessore

Machine Process

I BIC MEN

IAT YOUR

VORTH

there in Strain

I to promise the

(Your business

CHOICE WHEN THE

e PLC Lauxing

ABDENIES MORE

of selling your

magning Develor

200 20x 14 15 102

MATTONS

ALARM CO.

A ME AOM DEPOSE OF

MAL London HIM 612

w white same Conging

M extension to see

FOR LESS THAT

್ರಾಕ್ಕ್ ನಿರ್ದಿ "ಎಸ್. ಬ ಸಮಾಕ್ಷ<mark>ಕ್ಕ</mark>

est presented at arrest fre

ಷ್ಟಿ ಆ ಜನಾನ ನ್ಯಾ ≃ ಸಿಸಿ <u>ಅನಾ</u>

是一个。 解除。第一、 E

popears every lette

arday.

and the state of

MARKET PROPERTY.

gention and

THE DEC 1.5

AND WINDS

4-6-6

a place of the

And David Tat.

10000 1-45 451

ATIONAL

Times propos

Survey on B

guary 1989

acomos:

ine Keegan

MODE IN 12

10 Cannos

ECIP ABI.

AL DIES

e to her at:

Morial synore,

sement deutil

we on

TION

(4) Ex! * "

State .

Tel all Will

The second of the second

A PORSCHE

stol States Due to

ON SALE

¢ VX

יַמולי

LOCAL'S

TO THE DIVINE

Yes, there are enough pieces by the composer-pianist Charles-Valentin Alkan to make a "festival," and if the centenary of his birth went under remarked in 1913, interest in his curious music has grown enough to ensure that the present centenary of his death should be celebrated properly. Most of the music is for keyboard, but not only for the familiar piano. There are many organ works (championed these days by Kevin Bow-yer), and pieces for the extinct "pedal-piano," which like the organ had note-pedals for the feet - naturally tempting for a composer hellbent upon filling every available space with notes.

The two recitals I heard seemed to confirm a long-standing impression: that though nearly everything Alkan wrote is at least "interesting," he rose to more than that chiefly when he was at his most maily open served and most maily over-extended and intricate. His smaller pieces (including some brilliant encore-numbers) are variously quirky, picturesque or satur-nine, but compared to his friend Chopin's they remain rather dry stuff, unlikely to bloom with further acquainencore-numbers) are variously tance. Large-scale challenges brought out his best the fine pedal-piano Impromptu –

really a elaborately constructed fantasy - on Luther's "Ein feste Burg," for example, which we heard on Wednesday in Roger Smalley's two-plano version.

The giant Sonate de concert for cello and piano again seemed a major and uncom-monly tuneful contribution to the repertoire, played by Christopher Bunting and the faithful Alkan exponent Ronald Smith (not on his best form here: perhaps he was too anxious not to let his teeming piano part swamp the cello). It was amusing to hear - once the "Funeral March on the death of a parrot," with chorus and squawking double-reed

On Friday the pianist John Lenehan applied his bright touch, clean fingers and scru-pulous pedal-technique to the manically glittering Sonatine and several shorter pieces. I was quite persuaded that the vignettes would reward further exploration, and Lenehan exploration; and Lenehan made two of the op. 35 Etudes the dazzling tours de force they must be. One missed, nevertheless, the baleful flamboyance which is Alkan's unique and peculiar trait; Lenehan's musical manners are too nice for

David Murray

The Beethoven Odyssey

FESTIVAL HALL

Cultural packaging is commonplace these days - the South Bank Centre and, if only in sparring response, the Bar-bican Centre regularly go in for complete compact surveys of the work of a composer or a movement or whatever. On the South Bank we have grown accustomed to every so often having an "Experience" - a Mozart Experience, or a Berlioz Experience, in which Mr Roger Norrington restores the works of these composers to their true colours and explains how he has done it. They are valuable musical workshops which attract an eager public and are perhaps the most honourable example of current packaging.

What the South Bank staged on Sunday was something else.

All hine Beethoven symphonies, in order, played by "no fewer than three" of the London orthestras (Roya) Phillag.

don orchestras (Royal Philhar-monic, London Symphony and Philharmonia), conducted by Lorin Maazel, between 10am and 1030 gm. Not a workshop on the symphonies in any way, not an exercise in authenticity, but a largely unaccountable phenomenon — simply all the symphonies at once. The musician in me violently

ding through the Beethoven symphonies in this fashion, just as the littérateur in mewould kick against being obliged to read Proust in a fortomged to read Proust in a fort-night. Unlike Mahler's, Bee-thoven's nine symphonies are not parts of a whole, they are nine individual wholes. Noth-ing is served by rolling them up into a great ball, except a perverse sort of self-congratu-lation on the part the members of the andience athletic enough to stay the course.

Maxwell Communications put up the money for this ven-ture, provided a glossy pro-gramme-book, and philanthropically created the option of sitting through the complete symphonies for less (£10) than the price of a compact disc. (You could also do it for £50.) And a good many people, it has to be said, responded: the house was on average threequarters full. For my part, I would rather have sat through the seven symphonies of Prokoñev or Nielsen's six at least that would have been an education. cation.

It is true that concerts could be long in Beethoven's own day - one thinks, of course, of the famous Beethoven benefit in 1808 at the Theater an der Wien when both the fifth and airth symphonies were pre-mièred and the fourth plano concerto, Choral Fantasia, aria "Ah, Periido" and parts of the Mass in C were thrown in as well. But Beethoven's music was new then whereas it easily ounds stale now. Take Maazel's account (with the LSO) of the fifth symphony, for example: burly, over-hectic, under rehearsed, at once coarse and affected in style. It is extraordinary to think that anyone would prefer this sort of thing to daylight.

Paul Driver

Raymond Chandler Award

The literary estate of the author of Farewell, My Lovely and the Fulbright Commission have joined in establishing a Raymond Chandler Award. It will be open to writers of detective and spy fiction under the age of 35 in both the UK and the USA to enable them to study and research in each oth-

The benefits of the award will include travel money and

a grant of £10,000. The University of California at Los Angeles will make the Chandler papers available to the British holder. The majority of the Chandler papers in the UK are in the Bodleian Library and the American recipient will be based at Oxford Univer-

sity. Full details from: The Fulhright Commission, 6 Porter

Street, London W1M 2HR.



Gentian, 1982: watercolour on vellum

Said with flowers

William Packer reviews the work of Rory McEwen on show at the Serpentine Gallery

The retrospective exhibition of Botanical Paintings by the late Rory McEwen, now at the Ser-pentine Gallery in Kensington Gardens (until January 8), was organised by the Royal Botanic Garden in Edinburgh, where it was first shown, and comes to London by way of Aberdeen. The Scottish provenance is appropriate rather than vital to the work, for McEwen was always the Scot but never in any narrowing or exclusive sense. While he was an artist

in whom his country may now

take a legitimate pride, a rose anywhere, as we know, is a rose is a rose. He died six years ago at the age of 50, at which time he was still known more for the variety of his talents than for the consistency and substance of his achievement, which makes this lovely and intriguing exhibition the more welcome. For McEwen suffered from that all too familiar British social trait. by which the gifted apparent amateur is loyally celebrated with an unwitting irony, while the essential seriousness of his gift is disregarded. By no means all his many friends and admirers, who clearly were more than happy to buy his flowers and plants, would nec essarily be able or care to acknowledge their compatibil-

preoccupations On the other hand, as charm disguises or excuses all to the already sympathetic, so it can also arouse in less generous minds a somewhat more critical spirit. To paint flowers at all in McEwen's time was hardly likely to add to any reputation for significant modern-ism, and McEwen was not alone among his peers in thus denting what we might call his Tate-cred. To identify himself, as he did so positively. With the great tradition of botanical illustration, consciously looking back to such artists as Rhret, Robert and Redoute, was merely to step beyond the foolish to the perverse

ity with his other, more openly

modernist and contemporary

An artist's life's work taken as a whole, no matter what shifts and changes and apparent inconsistencies there might be in its course, will at last declare its underlying unity and integrity. The hand and eye may grow more subtle with experience, but the informing sensibility will remain much the same. Seeing McEwen's botanical

preoccupation sustained over some 30 years makes one curious to see it set into the broader context of his other formal interests and experi-ments. However, that consistent variety remains innate in what we are shown - a quality either to be felt intuitively. or deduced from the structures of the composition and the manner of its execution. It is here, beneath the surface reference, that we discover the abstract artist - in the play of colour, in the elegant rigour of the drawing and the disposition of image against ground on the pristine vellum that he favoured, form against space. And here too is the conceptualist, with his rows of objects laid out as specimens on a tray, or titled by the time and place where they were found. But it is perhaps the artist as romantic who overrides them all, his work rich in seasonal,

autobiographical and metaphysical suggestion. He takes home leaves picked up on Agar's Plough, in the Datchet Road, in Limerston Street or wherever, to paint them as they curl and change. The images are not given but spring unbidden to mind from the anthology – "Brightness falls from the air; now sleeps the crimson petal, now the white; the grass withereth, the flower fadeth." How sad it is. All art aspires to a condition of melancholy even at its most celebratory, as the particular attention fixes as much upon

the transience of the moment itself as upon the phenomenal experience it affords. "Life might last; we can but try.' McEwen first painted flowers as a child at home. This inter-

est was confirmed and developed at Eton unless the eye of the Drawing Master, Wilfred Blunt, whose special study it was. "The day I got out of the Army." McEwen wrote, in a piece published here in the catalogue, "I sat down and painted a rose, and I found to my surprise that my hand had unknowingly educated itself, that I had developed an appetite, could even see a short way ahead . . . I paint flowers as a way of getting as close as possible to what I perceive as the truth, my truth of the time in which I live. This mostly means looking, looking and thinking; then painting, and then thinking how much better the painting could be. I have made many journeys, had many blind adventures, worked in many materials, spoken and listened to many people, sometimes for years seem-ing to make no progress. Knowledge comes slowly, in

I had worked with Rory McEwen on an exhibition a year or two before his death. I though his loss was cruel in coming so soon, it would be foolish to claim him as a great artist unacknowledged. But in speaking thus of his own art in terms of the modest, inevitable search after knowledge and truth, be reveals himself as a true artist. This exhibition, so narrow in scope as it might at first appear, offers the demonstration of which he spoke.

many disguises, and can be demonstrated but not

explained.

A small group of the magnificent, haunted landscape photo-graphs of Thomas Joshua Cooper, which he calls "Dreaming the Gokstadt: northern lands and islands" completes the Serpentine display. In this title he has taken the name of an ancient Viking ship to characterise his own romantic, voyage to Iceland, Orkney and among the farthest Hebrides. These images that are its record are timeless and amhiguous beyond comprehension

Messiaen at 80

SOUTH BANK

His 80th birthday falls on December 10, but the South Bank is filled for the next fortnight with the sounds of the celebrations for Olivier Messiaen. It's a lavish spread, and evidently far more generous than the French musical establishment has put together for its most distinguished living representative. The tributes began on Thursday, with a triple-decked concert shared by the Nash Ensemble and Madame Messiaen, the pianist Yvonne Loriod

Loriod occupied the central panel. She crowned her recital with three of the Vingt Regards sur l'Enfant-Jésus, but had earlier concentrated upon the most recent piano pieces - La Favoette des jardins of 1973 and the Petites Esquisses d'oiseaux completed in 1985 and being heard in London for the first We have become used to

hearing Messiaen's piano music coolly and analytically interpreted, and Loriod's rhapsodical approach, warm and romantic, with accuracy taking second place to intensity now seems unexpected and almost unidiomatic, despite its air of authority. Her view of La Fauvette

emphasised its moments of functional harmony, conjuring a kind of rhetorical Lisztian bravura at the expense of structural clarity; the forms of Messiaen's bird pieces are rackety enough at the best of times and need a surer hand than this.

The little set of Esquisses, however, presents no such problems. The six miniatures dispense with the musical landscaping of the larger works and present the bird-songs - all of common French species - relatively straight. It is a very slight set, almost austere – not by any means major

The Nash Ensemble ended the evening with the Quartet for the End of Time, but their first appearance had included the first performance of a com-

mission from Tristan Murail, one of the most distinctive of the younger generation of Mes-slaen pupils. Vies aeriennes for horn, violin, cello and piano is a 13-minute essay in aural transformation and perspective, related to the cycle of changing light through the day. As always with Murail the sounds are exquisitely imag-ined, but the final effect in this case is strangely insubstantial - such a scheme needs to

operate within a larger time-frame than he allows himself. The BBC's contribution to the birthday celebrations is five concerts divided between the Festival Hall and Westminster Cathedral, in which David Ath-

erton conducts the BBC Symphony Orchestra in a selection of orchestral and choral works juxtaposed with those of Berlioz. It is an unexpected conjunction, but an appetising It took a while, however, for anything like an air of festivity

to settle upon Saturday's opening in the Festival Hall The BBCSO's playing was efficient rather than luxuriant in Messizen's L'Ascension - that series of meditations, and the final one for strings alone in particular, needs a surreal combination of sharp-imaged intensity and cloying sweet-ness, and Atherton could not quite contrive such an atmosphere. And for much of Les Nuits d'été and Harold in Italy too the accompaniments lacked immediacy. The song cycle was shared between three singers, Felicity Palmer, Philip Langridge and Stephen Roberts, and perhaps for that reason failed to build naturally. Mr Langridge, given three songs and therefore the best opportunity to settle into his singing, was the most effective of the trio. Though his "Villanelle" had been dragged down by dull-edged woodwind he finally produced a spellbinding "Au cimetière" in which every nuance and colour was instinctively registered. In the symphony, Nobuko Imai was the soloist and her familiar grace and generous tone were constant pleasures, though they could not by themselves rouse the performance.

On Sunday, the birdsongs that

had embroidered Thursday's

recital took centre stage, when in the Queen Elizabeth Hall five pianists, all of them Loriod pupils, presented the whole of Messiaen's Catalogue d'oiseaux. Its seven books, com-prising 13 pieces, play for roughly two and a half hours, and can be a daunting prospect. Yet though a disappointingly small audience took up the challenge, it proved immensely satisfying, not only for the quality of the playing, which was astonishingly high, but also for the close attention it forced upon Messiaen's approach to birds, Immaculate replication of the natural sounds was never his point, though anyone who knows, say, the song of the Golden Oriole or the Woodlark will certainly recognise Messiaen's versions, even though they may find his warblers harder to disentangle. For human listeners they are transformed into songs of eternity, to be taken strictly on their own terms, neither mimetic nor stylised. So, the Catalogue stylised. So the Catalogue becomes yet another sequence of meditations, as reverential in their way as L'Ascension; that quality emerged most potently in this integral performance. Among the pianistic quintet three performers stood out - Véronique Pelissaro. who played the first book with dashing brilliance, Roger Mugano, whose account of the massive "Rousserolle Effarvatte" was hugely authoritative, and Suzanne Cheetham, gently poetic and evocative in the night pieces of the third book. A memorable, and in the composer's frail presence, a moving occasion.

Andrew Clements

Shostakovich

BARBICAN HALL

has itself reached that same convincing.

In this section, at least, Rostropovich is perhaps not the man for the "Leningrad". But

The "Leningrad" Symphony of phony than its simple outline

Shostakovich has had some illustrious detractors. Only two weeks ago the Bartók festival was reminding us of the spe-cial loathing that one contemporary composer reserved for its notorious march sequence and the sarcastic lampooning that he gave it. Now the Shostakovich series

symphony, the Seventh. In the division of duties allocated by the festival this symphony fell to the London Symphony Orchestra under Mstislav Rostropovich on Thursday and it says a lot about this conductor's attitude to Shostakovich. and indeed about his musician ship in general, that the famed stretch of "non-music" should in his hands have been so little

The cool and objective stance, which by tradition has informed the most noted Shos takovich interpreters, is not Rostropovich's way at all. Faced with a quarter of an hour of one rhythm being repeated over and over, he still searches out little pockets of expression wherever he can and it is unfortunate that the score obstinately responds by losing exactly the feeling of mechanical repetitiveness that is its only point.

there is much more to the sym-

might suggest and as the work unfolds, so the characteristic untidy corners in the LSO intensity of this conductor brings increasing rewards. Rostropovich may lack the single-mindedness that drives the piece on, but he uncovers many deeply moving passages that are generally missed on the may

the way. In particular, this was the first time in my experience that the Adagio has become the central focus of the work. The string orations at the beginning and end of the movement were almost bursting with the concentration of emotion being squeezed into them.

ensemble can be allowed, for the big-heartedness of the playing, as indeed of the performance all round, was more than compensation. The concert opened with the Second Suite for Jazz Orches-

In the circumstances some

tra: a piece of jazz pastiche of the palest blue tint, its most notable feature being some outrageous over-scoring, which never uses two saxophones if in the Barbican that in itself can be quite an experience.

Richard Fairman

Cheek by Jowl in London

Cheek by Jowl, one of the outstanding British touring companies of the 1980s, has now settled into its annual London season at the Donmar Warehouse in Covent Garden

Shakespeare's The Tempest and Sophocles' Philoctetes, both reviewed here by Martin Hoyle in mid-October when the company visited Bury St Edmunds, are playing alter-nate weeks until January 7. when the company embarks on a three-month international tour including dates at Kuala Lumpur, Oslo, Prague, Bucharest and Ankara, hopping back to the Swan in Strat-ford-upon-Avon in late Febru-

The rarely seen Sophocles strikes me as a failure by recent standards, incons tial and twee. The visiting Greek sailors, bent on retriev-ing the banished hero's magical bow, are kitted out in camp

nautical white like prospective understudies for On the Town. The translation by Kenneth McLeish does not fully solve problems of archaism and remoteness, but the musical settings of the chorus by Paddy Cunneen are notably good and well chanted.

Paterson Joseph makes of

Achilles' son, Neoptolemos, a trembling conscience-stricken anti-warrior, but the pervasive small-scale preciosity is only really broken down by Keith Bartlett's pain-wracked Philoctetes, a Benn Gunn-ish leprous hermit of grease, dirt, blood, sweat, tears, suppurating wounds and mucky bandages. However, his Lemnos residence is an incongruous Never-Never Land contraption of nice clean poles and blankets. How has he lived, and where

M.C.

In August 1979 artist Kit of Meissen ormolu mounted

Williams and writer Bamber Gascoyne buried a gold pendant in the shape of a hare on a hill top in Bedfordshire. Sub-sequently a book, Masquerade, set off a global treasure hunt with the hare as the prize. Two million people took part in the chase which finally ended almost three years later. Yes-terday the finder sold the hare, valued at around £5,000, at Sotheby's for £31,900 to a non European collector.

Top price in a jewels sale, which totalled \$1.35m with 13 per cent unsold, was £291,500 paid by the London dealer Hilton Jewellers for a diamond

of property from the English estate of the late Henry Ford IL He acquired Turville Grange near Henley in the 1970s and his executors were having a clear out. Expected to make \$500,000, the morning session alone brought in almost £700,000 with a Bessarabian carpet, measuring 633cm by 427 cm, quadrupling its estimate at

vases of around 1750 far exceeded their £12,000 estimate, realising £57,200. A bit of the sod of Dagenham, grass preserved when the first turf was lifted for the building of the factory in 1929, enclosed in a silver cigarette box, sold for £22,000, as against a £800 estimate.

There were many records set overseas at the weekend. Sotheby's, Monte Carlo set a new high for the furniture designer Jacques Ruhlmann, £152,797 for a bar, on skis, made around 1930, while a silver water jug made in Paris in the 1750's went for £268,000.

In New York a cycladic mar-ble head, of around 2,500 BC. sold for £1.14m (\$2m), a record for any antiquity. It was estimated at \$400,000. The sale totalled £2.3m.

Back to earth, the Weller Poley family was disposing of the library of the moated Boxted Hall, where it has lived since the late 14th century. The books brought in £100,000

Antony Thorncroft

OPERA AND BALLET SELLING

FROM

ELECTRONICS IN EINDHOVEN TO TRACTORS FROM TURIN . . .

IN EUROPE?

.. They look for it in EUROPACES. The only genuine multi-language business directory which goes to over 340,000 registered buyers across 12 European countries in English, French, German, Dutch, Italian and Spanish.

A single advertisement, from as little as £280, could sell your product, open new enquiries and increase access to the Single Market business opportunities.

INTERESTED? Tel (0733) 558391, and ask for EUROPAGES, or send the coupon to EMAP Response Directories, Wentworth House, Wentworth Street, Peterborough, PE1 1DS.

emad.

response directories

Please send me information on EUROPAGES

Varne . Address. Postcode

ARTS GUIDE

Perhaps we are wiser now.

Royal Opera, Covent Garden. The second opera production

by Nuria Espert to be given by the Royal Opera is a new Rigo-letto, designed by Ezio Frigerio, and conducted by Michael Boder

and conducted by Michael Bode (British debut).
English National Opera, Colineum: The Christmas treat at the ENO is a new production of a Rimsky-Korsakov rarity, Christmas Eve, produced by David Pountney (in his own translation). Albert Rosen conductes and the englishmater. ducts, and the cast includes Cathryn Pope, Edmund Barham. Last performances of the second of Philip Glass's operas to be given by this company, The Mak-ing of the Representative for Planet 8, which leaves by and large a feebly undramatic impression; many more of The Mikado, in Jonathan Miller's jolly updated production, which has returned to the house in

Staatsoper. Der Fliegende Hol-länder, conducted by Sir Charles Mackerras with Nancy Johnson, James Morris. Le Nozze di Figuro, conducted by Peter Schneider with Margaret Price, Ann Murray. Ein Sommernachstraum, conducted by Caspar Richter. Rusalka, conducted by Vaciav Neumann, with Gebriele Lechner, Gabriela Benackova Cap. Manon, conducted by Adam Fischer, with Edith Gurbe Francisco Araiza, Pierre Than.

Opera. Fidelio, a Jean Pierre Ponnelle production. The rarely played Die Hugenotten has a

strong cast led by Pilar Lorengar. Otello returns with Raina Kabai-vanska (Desdemona), Renato Bruson (Jago), Kaja Borris (Emi-lia) and Vladunir Atlantow in

Opera. Lucidor and Der Nussknacker are both choreographed by Youri Vamos.

Opera. Tristan und Isolde is sung by Gabriele Schnaut, William Johns, Harald Stamm, Franz Grundheber and Julia Juon. Der Nussknacker has wonderful cho-reography by John Neumeier.

Opera. Danuta Saska and Cam-illo Meghor are brilliant as leads in Manon Lescaut. Die Zauberflöte features Matthias Hoelle, Hellen Kwon. Hänsel und Grete

Stuttgart Opera. The rarely played oper-

etta Einstein on the Beach brings Elke Estinbaum, Urzula Koszut and Alfred Kuhn together. Toscs is a well done repertoire perfor-mance with Awilda Verdejo, Michael Sylvester. Onegin is cho-reographed by the late John

Frankfurt

Opera. Le Nozze di Figaro has fine interpretations by Michal Shamir, Marianne Rorholm, Edith Mathis and Tom Fox. William Cochran has the title role in Rudolf Noelte's production of Otello, which features Helena Doese as Desdemona, Franz Grundheber as Iago, Margi Neubauer as Emilia, with Gary Ber-tini conducting. Also in repertory Il Berbiere die Siviglia and the ballet Behind the China Dogs, jointly choreographed by William Forsythe and Amanda Miller.

Opera. Madame Butterfly staged by the Netherlands Opera and directed by Monique Wagemakers. Lucas Vis conducting the Netherlands Philharmonic, with Hiroko Nishida (Cho-Cho-San), Locathan Welch (Pinkerton). Jonathan Welch (Pinkerton) The Hague

National Ballet with a pro-

gramme of ballets by resident

choreographer Toer van Schayk: a new ballet to music by Hans Werner Henze, Seventh Symphony (Beethoven) and Mythische Voorwendsel Danstheater (60 49 30).

Teatro dell'Opera. Filippo San-just's production of Donizetti's rarely performed Poliuto con-ducted by Jan Latham-Koenig with Renato Bruson, Nicola Mar-tinucci and Elizabeth Connell (Sat, Tues). Two ballets to music by Nino Rota, La Strada with Oriella Dorella dancing the part created by Giulietta Masina, Mario Marozzi and Raffaele Paganini, and Gattopardo Souvenir based on the novel by Giuseppe de Lampedusa (Sun) (46.17.55).

Milan

Opera. Luca Ronconi's produc tion of Rossini's William Tell opens the season, with scenery by Gianni Quaranta which includes filmed sequences of the December 2-8

shores of Lake Lucerne and sur-rounding montains and forests projected on to the backdrop. Riccardo Muti conducts a fine cast with Chris Merritt in the title role, Giorgio Zancanaro a Lella Cuberli. (Wed) (80.91.26). New York

New York City Ballet, State Theatre, Lincoln Center. The

40th anniversary season features 26 works by George Balanchine, nine by Jerome Robbins, five

by Peter Martins, and a month of Balanchine's Nutcracker. In

eddition, works by Laura Dean,

Eliot Feld, William Forsythe, Lar Lubovich, commissioned for this season, will be inter-spersed in the season, which ends Feb 26. (496 0600).

Washington Joffrey Ballet, Kennedy Center Opera House. The Joffrey per-form Gerald Arpino's chorsography to The Nutcracker, staged by George Verdak and Scott Bernard as set in Victorian America circa 1850. Ends Dec 17 (254 3770)

Chicago Lyric Opera (Civic Opera House)

Maria Ewing recreates the role of Salome she performed in London and Los Angeles in Sir Peter Hall's production, conducted by Leonard Slatkin, with James King as Herod and Franco Farina as Narraboth. Samuel Ramey continues in the title role of Don Giovanni in Jean Pierre Ponlie's production conducted by Semyon Bychkov, with Carol Vaness as Donna Anna and Karita Mattila as Donna Elvira. (332

SALEROOM

Masquerade pays off

necklace and brooch. Sotheby's was also disposing

£82,500. In the afternoon a pair

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON EC4 P4BY Telegrams: Finantimo, London PS4. Telex: 8964871 Telephone: 01-248 8000

Tuesday December 6 1988

The training challenge

CONCERN about the poor quality of British training and vocational education dates back at least 100 years. In 1884, the Samuelson Commission concluded that other industrial countries were adapting better to technological and structural change than Britain. The UK's poor performance, it said, reflected the low priority attached by the state to educa-tion and training. A century later, the hand-wringing con-

Yesterday's white paper from the Department of Employment was billed as the most radical overhaul of industrial training since the early 1960s. It certainly contains innovations — such as the planned Training and Enter-prise Councils – but it hardly lives up to expectations. Indeed, it is primarily a paper about employment creation. Training (or rather the lack of it) is seen as just one of many obstacles to employment — on a par with pay or industrial relations. Is this the right perspective from which to view training? After all, Britain had a very serious training prob-lem in the 1960s when it enjoyed near full employment.

Training ought to be regarded as part of a broadly conceived education policy. Yet in the UK the linkage is minimal. On the day the Department of Employment puts out a white paper on training, the National Curricu-lum Council (see below) warns of the dangers of inadequate timetable space for science. The two issues are regarded as entirely distinct; yet shopfloor standards are low partly because mathematical and scientific education in British schools is so poor.

Short-term route

The emphasis on training as a short-term route to employment is likely to undermine the quality of programmes. Very few youngsters who complete the Youth Training Scheme gain vocational qualifi-cations of any standing. This is because it was initially course in vocational education. The same focus on training

in the abstract is evident in yesterday's white paper. Train-

ing is seen as a Good Thing which employees need more of, but Mr Norman Fowler, the Employment Secretary, has virtually nothing to say about the tupe of training that is needed in the education world, people are busy devising courses and setting attainment and assessment targets. Nothing comparable is happening in adult industrial training. And the Government is not demanding that anything com-parable should happen: it is simply trying to devolve to local businessmen the respon-sibility for providing this abstract training.

Intriguing concept

At least two-thirds of the members of Training and Enterprise Councils (TECs) are to be top flight managers from the private sector. They will contract with Government "to plan and deliver training and to promote and support the development of small businesses and self-employment within their area." This devo-lution of training responsibili-ties to those "at the coal face" is an intriguing concept. Per-haps it will prove an enormous success: a national network of TECs could evolve over the next few years and arrange first-class training for local communities.
But it would be wise to

retain doubts. Successful businessmen are not necessarily the best educators - and training is really a form of eduction. Moreover too many British businessmen have shown little interest in any training that goes beyond the short-term specific needs of their compa-

Companies clearly can and should do much more to train their employees properly. But individual employers in a free enterprise system do not have an incentive to provide an efficient overall level of vocational training. The Government is putting too little emphasis on the sort of rigorous vocational education which people need if they are to raise their skill levels significantly, but which cannot easily be supplied on the premises of individual

employers. Yet it is in this department that the UK has fallen furthest behind its competitors in the last century.

A fudged curriculum

ONE OF the worst features of Britain's education system is the extreme bias towards early specialisation. Many children
- particularly girls - opt at
the age of 13 or 14 either to stop studying science alto-gether or to take just one General Certificate of Secondary Education (GCSE) examination in science. This early decision means that many talented indi-viduals never have the opportunity to become scientists (the ratio of male to female physics undergraduates is 5:1). It also perpetuates an unfortunate arts/science cultural divide that has economic as well as social implications: the fact that few UK chief executives understand science doubtless influences corporate decisions on the funding of research and development.

The creation of a broad national curriculum was sup-posed to solve this problem. All children were to have a proper science education to the age of 16. Early specialisation would no longer constrain individuals' chances later in life. In ais' chances later in me. in June the science working party set up by Mr Kenneth Baker, the Education Secretary, duly recommended that all children should follow a full science programme leading to the award of a double GCSE at age 16. It said that up to 20 per cent of the school timetable would have to be set aside for the integrated study of physics, chemistry, biology and earth sciences.

Double science GCSE

Mr Baker, however, responded by doubting whether it was realistic to ask all pupils to study for a double science GCSE. He therefore asked the National Curriculum Council (NCC) to investigate the possibility of a worthwhile balanced science programme leading to a single GCSE, which could be covered in 12% per cent of curriculum time. Scientists said this idea was a non-starter: there is no way children can keep future options for science study open by taking a single science GCSE at 16. The NCC, after wide consultation, has come to the same conclusion although it is too polite to tell Mr Baker that his plan is a mistake.

The NCC says that 90 per cent of responses backed the working party's call for a dou-ble science GCSE for all. Schools and eduction authori-ties said this would help over-come the present gender imbalance in science and widen opportunities for employment, training and further study. Academic studies confirm that the proportion of girls studying science at A-level is dramatic-ally increased by deferral of choice from age 13 to 16. The NCC concludes that the option of a slimmed-down science course would perpendit the course would perpetuate the problem of predetermined career routes and do nothing to increase the number of science and engineering students at

Composite course Mr Baker should take due

note of this advice. The requirement that children should study for a double science GCSE is not particularly onerous. The proposed science programme, after all, is a composite course: the closest analogue in the arts would be a general course in the humani-ties, embracing, say, English, history, art, music and perhaps a foreign language. Mr Baker would surely not argue that the study of the humanities could be similarly compressed into a single GCSE absorbing at most 12½ per cent of the timetable. Nor should be try to claim that design and technol-ogy, which will have a foot in both the arts and science camps, can act as a surrogate science for those who avoid the double science GCSE.

The only circumstances in which a slimmed down science course could be appropriate are for non-academic pupils follow-ing predominantly vocational courses. In French vocational schools, for example, academic studies occupy only 50 per cent of the timetable. But Britain has no such commitment to vocational education. The danger of providing the choice of single GCSE science is that large numbers of academically able pupils will specialise prematurely at great cost to them-selves and the economy. Mr Baker must guard against this

Peter Marsh considers the prospects for the world chemicals industry

hristmas parties at the world's chemicals majors are likely to be lavish affairs. After several years of flat or falling demand for chemicals, accompanied by sometimes painful capacity reductions, the companies have in the past year hit a bonanza comparable with their last spell of sustained prosperity in the early 1970s. A period of surging requirements for bulk synthetic materials such as polyethylene and other plastics — caused by economic expansion in many parts of the world — has coincided with constraints on supply caused by minimal investment in new plants since the slump in the industry at the turn of the decade. As a result of this, the big chemicals companies have been able to push through the kind of price rises they could scarcely have dreamed of two years ago. They have also been helped by the low price of oil, their main raw material. This combination of circumstances explains why in the past 12 months

rhis combination of circumstances explains why in the past 12 months profits in the chemicals sector have leapt ahead, raising the spirits of executives from Osaka to Oklahoma. "At the moment being a commodity-chemicals company is a good thing."

chemicals company is a good thing," says Mr Richard Tilghman, a vice president at Quantum, a US chemicals group formerly called National Distillers and Chemicals.

At issue, however, is how long the good times are likely to last. The chemicals business is notoriously cyclical; as a result the current boom seems abnot predestined to be followed. seems almost predestined to be followed by a slump along the lines of that in the early 1980s. Some chemicals managers, even as

they celebrate today's healthy profits, are concerned that a rash of recent announcements over commoditychemical plant investments may add to the risk of the industry lurching into a new crisis in the 1990s. There are particular fears about possible oversupply and the drop in prices and profits that could follow.

The worries mainly concern production of the feedstock chemicals, derived either from oil or natural gas, which act as the building blocks for the plastics and other synthetic materials used in virtually all parts of modern life. The feedstock substances include propylene, styrene, benzene

Of these, ethylene is easily the most important. It is produced at a world-wide rate of about 50m tonnes a year in giant plants called crackers. It acts as a starting material for tens of thou-sands of other organic chemicals, the best known of which are plastics such as polyethylene and polyvinyl chlo-ride, which end up in dozens of industries from construction to cars and from metal-bashing to medicine.

Behind the debate about the wisdom of the newly announced commodity-material plants are the startling price rises in the past year or so of several ethylene-based commodity chemicals. Ethylene sells for \$500-\$700 a tonne; the price in the US has more than doubled in the past 18 months while the rate of increase in Europe has not been far behind.

This has had a knock on effect on

This has had a knock-on effect on other materials processed from ethylene. The biggest price rises have been for basic plastics and fibres - typi-cally selling for \$1,000 to \$2,000 a tonne – which are made from ethylene using well-established technologies and with little added value arising from novel research and

The most noticeable price jump—which has seen European prices tripling to about \$1,700 a tonne since January—has been for ethylene glycol, a material derived from ethylene and which is used in anti-freeze and also in polyester fibre.

While costs of such materials are

Why the good times may not

last long

strongly linked to the ethylene price, other, high value-added organic substances like drugs or agrochemicals are largely immune. The prices set for these substances, which may easily reach \$\text{times}\$ at tonne, depend more on recognition at tonne, depend more on recognition. research and marketing panache than

on raw material costs.

The ethylene-based price rises have been behind the big profits this year for integrated oil/chemicals giants such as Exxon, Shell and British Petroleum, which base most of their chemicals operations on converting chemicals operations on converting their own fuel resources into commodity materials. According to Mr Darryl Anbrey, an analyst at Chem Systems, a New York consultancy, US companies' profit margin on their eth-ylene sales earlier this year reached a staggering 80 per cent, compared with the 20-30 per cent which they might have expected in 1985.

The sustained nature of the jump in prices has made many chemicals exec-utives believe the rise in demand for their products will continue for the foreseeable future, justifying the plant investments.

The industry has, however, a nagging fear about possible overheating due to too many plant expansions coming on stream. During the current boom, the industry initially refrained

The chemicals business is notoriously cyclical; the current boom is almost predestined to be followed by a slump

from sanctioning new plant construc-tion of a kind which, on past experi-ence, could be expected to lead to a production glut.

The jeremians in the industry have

repeatedly warned that this kind of surge of plant building was one of the factors that triggered the last chemi-cals alump in the early 1980s.

In recent months, however, the restraint has worn thin. Several big US companies, including Dow Chemical, Phillips Petroleum and Quantum, have announced new projects for adding significantly to production of chemicals like ethylene, propylene and basic plastics.

In Western Europe, the enthusiasm for new plant building has been less strong. But Petrofina, the Belgian oil company, is joining forces with Neste of Finland to build a new ethylene cracker in Antwerp, the first new ethylene production site in the continent for a decade.

Other companies have decided, moreover, to add to existing ethylene crackers — BP, for instance, plans to spend £200m extending its facility at Grangemouth in Scotland — or to

build new plants for other feedstock substances like styrene. Mr Robert Muller, a consultant with California-based SRI International. cantorna-pased ski international, says that as a result of the new investments the US is likely to increase its ethylene production capacity by roughly one-third over the 10 years to 1995, to an annual level of 20m tonnes. The output from Western Furnes and Jones is also Western Europe and Japan is also likely to expand significantly.

Added to this have been plans for large-scale investments in chemicals in many countries outside the main industrial blocs. These nations include countries such as South Korea, Taiwan and Thailand. Recently, the Soviet Union signalled its interest in building up its chemicals capacity by signing a deal with a Japanese consortium led by Mitsubishi to build a \$3.3bn chemical complex in western Siberia. China, mean-while, is boosting its chemicals production facilities.

Assuming the bulk of the new chemicals plants in the industrialising world go ahead, exports of chemi-cals from the richer countries, largely bulk plastics, could be severely hit. That could make questionable some of the plans for increasing production.
In the light of this, some industry observers such as Mr Stuart Wamsley, a chemicals analyst at the London office of Morgan Stanley, the US bank, believe chemicals companies may be shooting themselves in the foot by going ahead with expansion. He says that many of these companies should think again.

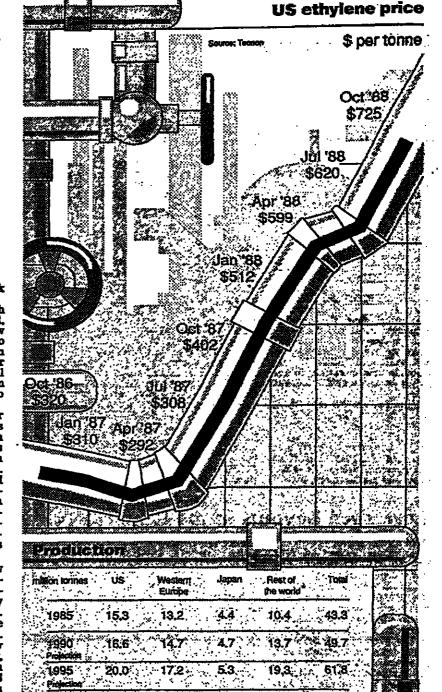
Other people in the industry are more sanguine. Mr Glenn Cox, presi-dent of Phillips, says he is confident that the 600,000-tonne-a-year ethylene cracker his company is building in Texas, at a cost of an estimated \$400m, will make money.

Another area of debate in the indus-try concerns the effect of a continua-tion of the price rises of the past two years on the companies which buy chemicals feedstock materials. These are largely producers of plastics and fibres together with customers for these substances from the construction or clothes industry.

Mr John Phipps, a manager at Tec-non, a UK chemicals consultancy, believes many of the big chemica companies, in pushing through their price increases, have been overlook-ing the reactions of consumers.

If the prices keep on rising, Mr Phipps reckons that some of the pur-

chasers of synthetic materials could be driven - in what would be a reversal of the patterns of the past 50 years - to substitute substances like metals or natural fibres. Largely as a result of this factor, Mr Phipps and others believe the price rises will start to slow soon.



Although people within the chemicals industry are generally overjoyed at the return to health of the busiss, others are not so happy. Some observers are worried that the brighter prospects for the sector, and the rash of plant construction that might follow, might lead to environmental difficulties related both to emissions of wester from manufacture. emissions of wastes from manufacturing sites and also to the disposal of goods like plastics.

Mr Jonathon Porritt, director of London-based Friends of the Earth, the environmentalist group, says the build-up of new chemicals plants "is not good news." He is especially worried by the consequences in the industrialising world. "I have a feeling that many newly industrialising countries do not have the regulatory structures to control these industries from an environmental point of view."

Which companies are likely to be the winners and the losers from the upheavals now taking place in the chemicals industry? The past few decade in the sector has been domi-nated not only by the problems in the commodity area but by a rush (partly inspired by these difficulties) by many companies away from bulk materials and into specialist, high-value areas such as pharmaceuticals, crop-protection compounds and engineering plas-

3,72

12" Acts 3

T. 4

Kindry Trans.

್ಷಾಣ್ಯ ಚಿತ್ರ ಕ

\$2.5 · . g

232 mg (Jen).

**

32 70 .37m

. G.L. a Series a

A 19 - 24

31 : Ser. 10

Car Carr

All the street

27m - ...

The China

Berger 19

100 mg

30.2

والمراجا والماسان

9---

÷.

A 4-3

يمرة يبا

4+1

Can 2 19 4

The same

A STATE OF THE STA

4

State of

Mary 1

This has been particularly the case with BASF, Bayer and Hoechst of West Germany and Britain's Imperial Chemical Industries - the four biggest chemicals companies measured by sales. If it has done nothing else, however, the current surge in profits from commodity operations has made analysts think more deeply about the consequences of this kind of shift; the right approach, according to current thinking, is to balance a certain level of activities in the bulk-materials area with the kind of research and develop-tain resources lengthest to make go. success from specialist production.

The fact that many chemicals coming this kind of strategy over the past. seven or eights years makes many of their ability to handle events should the gloomier pundits in the industry be proved right and the sector move into some kind of downturn in 1969.

Of one thing most chemicals managers are reasonably sure: changing market conditions will give these

strategies a far sterner test over the next year than in the past 12 months. Christmas 1989 may well not be quite: so happy as the coming one.

Caridi's last

stand

■ At 58 years old, General Jose Dante Segundo Caridi, Argen-tina's army chief of staff, probably has only a few days left in his post, if not in the coun-try itself.

The former artillery officer has earned for himself the hatred - not too strong a word - of the bulk of the profession-als in Argentina's 57,000 strong army. It was his task to crush the latest uprising by disgrun-tled commandos; he falled

largely because the profession-als hold him in contempt. A physically large man, the only unmarried senior officer among 25 generals, his career has been bureaucratic. He carried out admin duties during the Falklands war, a task which adds to the disrespect felt by people such as rebel leader Colonel Seineldin, who

claims hero status for his part in the South Atlantic. Much given to swearing and speaking as loudly as possible, he has a complex about using telephones, preferring to refer to himself as "doctor" Caridi, or simply "Danie", when leaving messages. Those who know him describe him as highly opinionated, a man who likes to give the impression of physi-

His appointment as chief of staff, after an earlier rebellion during April 1987, came as a surprise to everyone. Even at that early stage two units, one in Salta and the other in Tucuman, staged a brief mutiny in protest at the pro-motion of a man who has never fired a shot in anger. Since then he has earned himself further odium by promoting to senior ranks a host of his friends, all from the artillery (the only unit to support

him at the weekend). Although President Alfonsin has given him his full backing. the rebels have called for his head. In five day's time Gen-eral Caridi celebrates his 58th birthday. It is unlikely to be

OBSERVER

a happy occasion, except for his numerous enemies.

Family ties

■ One of the little noted consequences of Warburg Secutities' application for discount house status is the extent to which it will bring families together. George Blunden, who heads Warburgs money market deak, is likely also to head the discount house operation. This will involve him in close contact with the Bank of England, where his father, George Blunden, is deputy-governor.

The connection between The connection between
Warburgs and the Bank goes
deeper. The Bank governor's
son, James Leigh-Pemberton,
also works at Warburgs. While
his father's organisation is
busy buying gilts, James works
on sterling bond issues for companies.

Curried eggs

There are several reasons why Edwina Currie, the junior health minister, should resign. One is that her statement — Most of the egg production in this country, sadly, is now affected by salmonella" – is pretty sweeping by any stan-dards. Either she should have backed it up more thoroughly, or done something about it

Another is that resignations are good for the body politic. Their absence suggests that that ministers are too scared to stand up for themselves or. alternatively, that they have nothing to stand up for.

A third is that Currie has been recently overshadowed at the Health Department by another junior minister, David Mellor, who has the same outspoken habits, but without



"It's quite safe - it's a sparrow's egg."

her appeal: possibly Mellor's upstaging of her provoked the outburst. A fourth is that she is very

able. A fifth is that the Cor vative back benches could do with a touch of spice. And a final consideration is that resignation now could do no harm at all to her long term career. Does she really want to go on being a semi-shackled junior minister when she could be a semi-house trained polecat with the freedom to talk about whatever she likes? For if she has not been over-shackled as a minister so far, she will be certainly shackled in future.

Dashing Green

The latest strife inside the West German Green Party might open new doors for one of the country's most intrigu-

ing and elegant politicians, Otto Schily. Schily has long been the acceptable face of Green poli-

tics. With his oratorical and legal skills, he is one of the few Greens who could sit com-fortably in a ministerial chair. And if the pragmatic "Realo" faction, of which he is unofficial leader, takes over the party next year following the weekend resignation of the radical "Fundi" controlled executive, the chances of Green participation in a future Social Democrat Government will rise.

It is hard to believe that Schily is only two years younger than Chancellor Kohl. Not only does he look younger, Not only does he look younger, he has also become the personification of the 1968 generation in politics. He made his name as the defence counsel of the Baader-Methhof terrorists in the 1970's, a fact he now prefers to play down. After entering the Common Parader methods. ing the German Bundestag in the first Green batch in 1983, he established his parliamentary reputation hounding the Chancellor over the Flick scan-

In recent years he has looked increasingly distillusioned as his party failed to capitalise on its early support and seemed determine to deny him the high office that he believes is his due. There has been some talk of him shifting to the Social Democrats, but he would find as much resent-ment there as in his own party.

To the Fundis he is anothma, with his suit and tie, small palace in Tuscany and liking for fast cars (he even recently agreed to advertise Porsches). His sexual charisma is also the source of much jealousy, one friend complaining that she had to stop going to Green meetings because she found radical feminists drooling over him too much to bear. He has called himself a "libertarian communist".

Present value ■ Graffito in a Birmingham doctor's waiting room: "My name is Patience, and I am

ALLEN-EDMONDS. MEN'S SHOES IN THE FINEST TRADITION.

One company still remembers all the important shoemaking skills that have been developed over Allen-Edmonds. These shoes are made with only the Washington and the second finest leathers hand selected. They all have 360° welt construction more expensive but far superior to "cement" construction techniques. They have no metal supports or rigid shanks allowing your feet to move naturally and comfortably. Heeks are made with a full

tophili for superior wear Allen-Edmonds shoes are leather lined for long-lasting comfort. They're formed on exclusive lasts that duplicate perfectly the contours of the foot. And every single step in the shoe making process -all 200 of them involves hand crafting. It's time con-suming indeed. Ex-

leather base and rubber

pensive, of course. But once you've wom a pair of these shoes you'll agree. No one in the world puts more tradition into traditional shoes than Allen-Edmonds.

Harrada Knightsträdge, London Sabretache

Heath Street, Hampstead, London Grey Flannel Chilten Street, London Macs-A-Million

Abbey Arcade, Burton On Them: King Street, Cambridge

Reckheme Corporation Street, Bizari St. Annes Place, Manchester

ock Quay, South

Robert Olo & Co.

U.S. Agent Stephen Palmer (01) 722 2132.

LETTERS

Skills surveyed

From Mr D.A.A. Fogundini Sir, Your stern editorial on our national skill shortage (November 24) comes years too late and is still too feeble.

In 1984 the National Economic Development Council. and the Manpower Services Commission published a comprehensive survey of training and education in our major competitor countries, entitled Competence and Competition The survey stood in line with many others from many quar-ters, and it has been joined, quite recently, by yet mother one, more closely focused on the electronics industry. All courses the same message.

Convey the same message.

Our balance of payments says it too, Gone are the days when some people expressed the belief that the service industries, especially the financial service industry, would make up for our manufactures to earn a decent manufactures to earn a decent living in the world's market

में जि

1307. m

70 1

75 E

12 To

47 - Z 12

126

* *

100 1,25

1 2422 g

- I

. 4

î.

Gone also are the days when, Gione also are the days when, parrot fashion, the cry was for more investment in manufacturing — in complete ignorance of the fact that, without significant inputs of skill in engineering, design, development and management, invest-

From Mr Leo Herzel.
Sir, Your leader on RJR
Nabisco, the US tobacco and
food group (November 21), is
critical of management conflict
of interest in leveraged buyouts (LBOs) in the US.
There is no cridence that the

There is no evidence that the

There is no evidence that the premiums paid to shareholders in LBOs are significantly different from the premiums paid in acquisitions generally. (See, for example: Jarrell, Brickley and Netter, 2 Journal of Economic Perspectives, Winter 1982 reases 40 51 520.

Leveraged buyouts in the US

ment in manufacturing would not necessarily support a hig turnsround in our economic affairs. We were to do it all by research. Development and engineering were for the hirds. (I hope that cry has gone as well.)

But how long will corrective action take if most parents still believe that an academic education is the only one worth having? How many schools, opting out of their local educa-tion authority, will transform themselves into technical

The Government has been in thrall to the educational estabishment for so long that ministers have no firm grip on the situation even today - witness the Cox report on the teaching of English, the world's interna-tional language whose proper use we risk losing.

You will have to speak out much more forcefully than you did in your leader, sir, if enough noise is to get through the layers of intellectual clad-ding that surround our special mythology of education. You will have to thunder - and frequently - for no one else ms able or willing to do so. D.A.A. Fagandini, 6 Alleyn Park, Dulwich, SE21

erning the behaviour of com-

pany directors, combine to

make LBOs a very important factor in a highly competitive takeover market.

RIR is itself a good example

A special committee of inde-pendent directors, with inde-

pendent advisers, put the com-

pany up for auction, and there is no evidence that it has made

any effort to favour or to

important competitive factor

will be eliminated from the

takeover market. This would

favour acquirers with lots of

ready cash. There is no reason

to believe that these acquirers,

on the average, make very

lease management. If LBOs are eliminated, an

Skills shortages overstated

external environment.

These nine factors, taken

together, have led to the huge

mis-use and abuse of talent in

the UK, and contribute to our inability significantly to raise

real productivity through the

re-organisation of job struc-

tures and work organisations.
We need some form of pact
(national consensus) between
the relevant parties, to speed
up the process of modernising

and re-structuring UK manufacturing industry. The experi-

ence of some advanced western economies – notably Sweden, Austria and West Germany –

approach has greatly added to their manufacturing re-struc-

Developing and agreeing a national agenda for workplace and social change might seem

to be a call for a return to the 1960s, but it is vital that we recognise that the market can

have its blind spots, and that support through development of a consensus and the provi-

sion of resources does not nec-

essarily mean retreat from a

"market approach" to the UK

indicates that such

turing programmes.

From Dr Michael Cross.
Sir, An almost constant claim over the past few years has been that there are shortages of skilled craft, technical and professional manpower in

the UK economy.

Many of these claims are overstated. An analysis of a overstated. An analysis of a wide range of manufacturing jobs on 24 sites, covering 7,228 people, established that only 10 per cent to 25 per cent of individual job holders' ability was being used. The same research indicates that the following factors contribute to this great waste of human talent: • Over-specification of most

• Over-reliance on the ability of supervisors to control employee behaviour;

Too great an investment in

naintaining the status quo;

The breakdown of the manufacturing organisation into interdependent systems and activities; Over-centralisation of

information and authority;

Over-reliance on individual nonetary rewards;

• Gross undervaluing of minan resources;

Over-reliance on technology and techniques to solve organisational problems;

good choices (see Jarrell,

Brickley and Netter, page 58).

Yes, there are some striking

counter-examples to what I

have said. But there are com-

peting bidders such as Robert Maxwell around, who have a

strong incentive to take them

As John Piender points out

on the same page as your leader, there are many contro-

versial public policy issues sur-rounding highly leveraged acquisitions. However, conflict

of interest is not one of them.

Leo Herzel, Mayer, Brown & Platt, 190 South La Salle Street,

Utanis 60608, USA,

economy. Michael Cross, 37 Balmain Close, Grange Road, Ealing, W5 Under-attention to the

UK property

Sir, I am mystified that you discuss in your customary learned manner (Lex, November 26) the value of UK prop erty shares, the market's view of them, and so on, without mentioning the most important

Recent hids by Swedish, Jap-anese and Dutch companies – and the bid for Hammerson Property in particular – indicate (on the face of it) that they think our property compa-nies are much more valuable

Newnham House, Basingstoke, Hampshire.

From The Barl of Buchan.

issue: why do overseas inves-tors take a different view?

than we do. Who is right?

R&D applied differently

From Mr J. Spencer.
Sir, "Scotching the cultural myth" (November 23) does not take cognisance of the fact that Japan spends barely 1 per cent Japan spends barely 1 per cent of gross, national product (GNP) on armaments. So instead of 50 per cent of all R&D being devoted to military ends (as in the UK), they produce large quantities of "high-tech" goods.

Cranham, Gloucestershire

Nuts and dates

From Commander J.R. Ducker. Sir, I was interested to read (Observer, November 29) that this year December 23 will be earlier in the month than normal". The UK Department of Trade and Industry clearly has great influence. J.R. Ducker,

6 Cultourth House, St Johns Wood, NWS.

The reason is the competi-tive market for acquisitions in the US. Disclosure rules under the federal securities laws, and state law fiduciary rules gov-

1988, pages 49,51,52).

Refer to cash flow From Mr T. Walnusies

Sir, You report Hanson's pro-posal to determine the company's borrowing powers by reference to not essets including acquired goodwill (Movember 29). Lex comments that a more radical solution to the problem of measuring debt capacity would be by reference to seek flows or comments.

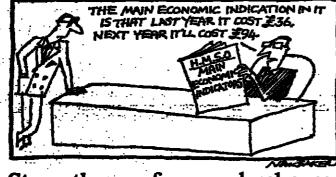
to cash flows or earnings.
I agree with Lex. Debt capacity is better measured thus than by reference to balance sheets in which assets, however widely defined, are measured at historical cost.

The problem is to determine sustainability of cash flows or earnings, and thus the capacity to service debt. The answer

here is to go one step further than Lex, by measuring debt capacity by reference to the value of a company's equity capital in the stock market.

"Walmales T. Walmalev

Heriot-Watt University, Edinburgh, Scotland



Stone thrown from a glasshouse

From Mr G.C. Ranald.
Sir, As foreign exchange researchers and analysts we have for some years been regular subscribers to the OECD (Organisation for Economic Co-operation and Development) Main Economic Indicators

monthly publication.

The figures we mostly study are the world-wide inflation rates, so you may imagine our surprise and distaste when our subscription renewal notice from Her Majesty's Stationery Office quoted - un-explained

- a staggering 161 per cent price increase; that is, from £36 to £34 a year. Even Turkey (an OECD member country) has an inflation rate of only 82 per Chancellor Nigel Lawson is

at great pains to stress the importance of defeating inflation. Perhaps he could make a good start by keeping his own house in order. G.C. Ranald, Porexia (UK), 149 Petersham Road, Richmond, Surrey.

The statistics of poverty

From Mr Alan Mayne. Sir, Both Carey Oppenheim (Letters, October 29) and Michael Starn (Letters, November 11) use inadequate statistical information to indicate the extent of poverty in the UK. It is not possible to obtain a true picture of poverty by cit-ing average income figures or numbers of people below a par-ticular income level. A much more detailed statistical analysis needs to be carried out, and it seems unlikely that the necessary information can be obtained from publicly available statistics alone.

The following considerations must be taken into account.
There should be a sufficiently objective definition of both individual and family poverty, which measures the extent to which different essential management of thing are tial requirements of living are actually met, and also takes some account of quality of life. We should realise that the amount of money income needed to avoid poverty varies

very much from one person or family to another – for example, because of very marked fluctuations in the actual costs of providing adequate housing

and shelter, and because of differences in individual requirements for such essentials as diet and good bealth.

General upward trends in the incomes, in real terms, of different sections of the population can be misleading they fail to indicate changes of income because of adverse changes in individual circum-stances. For example, those who become unemployed, or otherwise find it hard to obtain enough work or sufficiently well-paid work, do not share in the general rise in prosperity of most people in the UK. Similarly, those who have to face exceptionally high housing costs do not share in this I suspect that the actual inci-

dence of poverty in the UK has risen appreciably, if not extensively, during recent years. This has not been truly reflected in official statistics although recent rises in the number of homeless people give a better indication. Alan Mayne, 29 Fairford Crescent, Downhead Park, Milton Keynes, Buckingham-shire

EC anti-dumping policy does not relate to the real situation

From Mr Don Pinchbeck.
Sir, At a recent Confederation of British Industry seminar, representatives of the US, the EC and Japan protested how open and unfettered they kept their markets, but how concerned they were that the others were not "playing fair". Here were three mighty trading blocs lumbering like elephants around the world stage — mindful of each other, but not noticing the damage done to small companies trampled underfoot. the EC and Japan protested

Need the European Commission be so cavalier in its task sion be so cavalier in its task of policing Europe, trying to guard its borders and keep super-efficient Japanese and American companies at bay while the reforming of European industry takes place? It is difficult to relate Mr Willy de Clerg's defence of anti-dumping policy (November 21) to the ing policy (November 21) to the real situation - at least in

No one can object to "the principle that injurious dumping is to be condemned". While the rule that dumping meant selling at below cost has long Ервоп'я саве. gone, the Commission is

unable or unwilling to demon-strate the workings of some of recognised that in Europe and Japan we made profits which were, to say the least, substanthe new rules.

Epson's products can be obtained at much lower prices

The crippling effect of the anti-dumping levy robs nonalmost everywhere else in the world. In the UK, full page advertisements proclaim Ametral printers at \$499 and European companies operating within Europe of profits for reinvestment in products, jobs, what they claim to be an and research and development within Europe.
It really does seem too much to trot out the old backneyed. equivalent Epson at 2849. Yet

argument of the closed Japanese market. After Europe, placed in the Commission's hands independent technical evaluations showing costs of Japan is now the UK's sixth biggest export market place and - after Saudi Arabia -European manufacturers, on the second fastest growing. everage, 36 per cent higher than Epson's for equal vol-Japan is now a bigger export merket for the UK than any of umes. Where a European manthe Commonwealth countries ufacturer had copied the Japa-nese method and design, its except Canada, and even Canada will probably be overcost was 10 per cent down on Japanese costs. The message is hauled this year. clear. Costs are kept low by efficiency and careful design.

Average weighted tariffs applied by Japan are apparently lower than those applied by Europe or the US. In Japan European industry can do as well when it really tries -without the help of the Comnow, "western" is good, "Euro-pean" is even better. But in a free society it is not possible to Mr de Clerq talks of "sales pass legislation compelling which are often made at a people to buy. Their needs must be identified and marketloss". Yet the Commission

ing must be of a high quality. What constitutes a European company? Olivetti source typewriters in Singapore and sells them against the Japa-nese Brother company which manufactures in Wales and is cleared of "screwdriver" charges. Amstrad buys printers in the Far East and sells at a recommended retail price almost half that of the UK Epson manufactured product. Which company is the good corporate citizen of Europe?

Each company, of course, is doing what is sensible for its However hard we try to be a good European company, our Japanese parentage seems to be regarded as a fatal flaw. I wonder whether in five years' time, when the efficient Europroducers who got their markets and product develope hopelessly wrong have still not got their act together, the EC

will give us our money back? Somehow I think not. Don Pinchbeck, Epson (UK), Dorland House, 388 Figh Road, Wembley, Middlesez.

L time this autumn, to the subject of the United Nations. No one can say that the UN has not been in the limelight these last few days. Nor is it likely to fade in the next few: tomorrow Soviet President Mikhail Corbachev will occupy the New York podium denied last week to PLO leader Yasser Arafat; and on the next day the

make no apology for returning, for the third

UN Secretary-General, Javier Perez de Cuellar, will fly to Oslo to collect the 1988 Nobel Peace Prize on behalf of the UN Peacekeeping Forces. And next week, of course the General Assembly will meet in Geneva - the first time it has done so outside the US since the UN established its

headquarters in New York more than 40 years ago. The move to Geneva is a virtually unavoidable response by the Assembly to the US Administration's refusal of a visa to Mr Arafat, which - as even the British government accepts - was clearly a breach of the US's legal obligations as host country. Of course the General Assembly, representing almost all governments in the world, is far from being a perfect body, since most governments are very imperfect, notably in being very unrepresentative of the peoples that they govern. Those peoples are also very unequal in size, so that a system of one government to one vote makes the Assembly as a

whole even less representative of the world's population. Even so, a parliament repre-senting almost all the governments in actual control of the earth's land surface must be assumed to have some collec-tive self-respect. It should not be expected to let its list of speakers be arbitrarily vetted by any one of its members. But that does not mean the decision is necessarily good for the General Assembly, or for the UN as a whole. It could even mark the beginning of a rever-sal of the painful and still farfrom-complete process of rehabilitating the UN in the eyes of Western, especially US, public opinion.

One of the reasons why the UN was located in New York in the first place was that it was felt necessary to involve the US in it as much as possible. It was believed that America's failure to join the pre-war League of Nations had been a significant factor of the latter's ineffectiveness, and that the League, located in Switzerland (a neutral and a non-member), had been too remote from the

realities of power politics. From this point of view the Assembly's removal to the Palais des Nations in Geneva, where echoes of the League's. high-flown oratory can still be FOREIGN AFFAIRS

The need for collective self-respect

Edward Mortimer asks whether the UN can continue to be the effective guardian of world peace

heard, is an unfortunate sym-bol. Of course it is only going there for one debate, but in so doing it sets a precedent which could make the US feel freer to exclude other unwelcome guests of the UN in future. which some would see as the "serious" part of the UN because its resolutions have to secure the consent of all five permanent members, will

But public opinion does not often bother to distinguish between the different UN institutions: and General Assembly

also by the inclusion of a UN peacekeeping role in the new agreements that have been or are being negotiated.

Thus the continuation of the UN success story depends on continued progress in resolving conflicts, which in turn depends in part on the effec-tiveness of UN forces in carry-ing out the peacekeeping tasks assigned to them.

In Afghanistan the Soviet withdrawal is probably now irreversible, but the ending of remain in New York. the civil war will depend in part on judicious use of the leverage the US derives from

There is a danger that the delicate diplomatic work may be less effectively handled in future

actions, especially those affecting Israel, nave had a disproportionate effect on the UN's overall image in the past. The trouble is that it depends very much on the US whether the UN carries on its recent run of successes and establishes itself as something like the effective guardian of world peace that it was designed to be, or whether it relapses into the marginal role to which it seemed con-

demned a couple of years ago. The successes have been of two sorts. There have been diplomatic achievements, where UN institutions and procedures have helped to bring progress towards a solution of entrenched conflicts -Afghanistan, Iran-Iraq, Western Sehara, Cyprus, and to a lesser extent Angola and Cam-bodia; and there is the peacekeeping effort, where forces under UN command have helped to prevent renewed outbreaks of fighting in known trouble spots. The latter is recognised not only by the award of the Nobel Prize but

its role as arms supplier to the different resistance groups. In the Middle East, the pres tige of the UN must depend on moving beyond the Iran-Iraq ceasefire to implement the rest of Resolution 598, on which both parties' acceptance of the casefire was based; on giving teeth to the Security Council's condemnation of chemical weapons; and in due course on using the Security Council to tackle the Arab-Israel conflict

None of these can be attempted without a really determined commitment from the new US administration. But the Angola-Namibia agree-ment is perhaps the one most central to the UN's fortunes, because it is there that it has been assigned the biggest peacekeeping role; and it is there that the US role will be absolutely decisive, both in diplomatic terms and in the amount of financial support it is willing to give.

The cost of the UN role in Namibia, which includes pro-

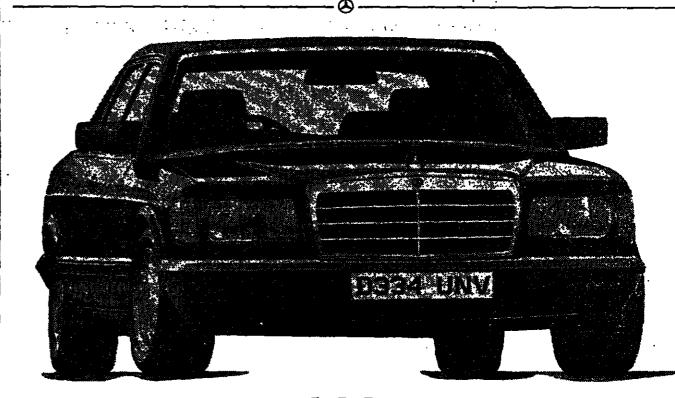
viding a transitional adminis tration and supervising the election of an independent govelection of an inappendent government, is reckoned at up to \$600m, of which the US would be expected to pay \$200m. If all the current agreements work out as planned, 1989 could see a rise in the worldwide attracts of the sections. strength of UN peacekeeping forces from 10,000 to 30,000, and in the cost from \$300m to well

Partly for this reason, Mr Perez de Cuellar announced two weeks ago that his Under-Secretary-General for Special Political Affairs, Mr Marrack Goulding, will henceforth concentrate exclusively on peacekeeping operations, while all "peace-making activities" — political diplomacy — would be transferred to his own Executive Office, along with some of the most politically sensitive and experienced staff.

While that may seem a sensi-ble arrangement, it is not certain that the two types of activity can be so neatly separated; and there is a danger that the very delicate diplomatic work involved in administering peacekeeping forces may be less effectively handled in future. That danger is particu-larly acute if the funding and strength of peace-keeping forces are reduced without a commensurate reduction in the tasks assigned to them, or if the tasks are expanded without adequate funds and personnel being provided. This is all too likely too happen as finance ministers in the main contributor countries look at the bills coming in, and especially when the US Congress applies its special combination of budget cutting zeal and political

Already one of the last acts of the outgoing Congress was to block a transfer from the Pentagon to the State Department of funds intended for the UN peacekeeping operation in Namibia. Ignoring the prem-ises of years of diplomatic work by the Reagan adminis-tration, a group of senators led by Mr Dennis DeConcini of Arizona decided that Namibia should not have UN-supervised elections and a transitional administration unless Angola

had the same. Presumably the South Africans have been encouraged by this in seeking to toughen the supervision of the Cuban withdrawal from Angola, which has already caused a serious hitch in the negotiations. Even if this can be overcome, there remain plenty of points at which the Namibian independence process can get stuck, and the further on it happens the more likely it is that this week's Nobel prizewinners will be next year's universal scape-



Engineered like no other used car in the world

A used Mercedes-Benz from an appointed dealer is a car that leaves a lasting impression, one that will stand the test of time and has a beauty more than skin deen.

Most officially appointed Mercedes-Benz dealers have a range of quality cars on offer that put into reverse the conventional thinking on new versus

Their looks, their comfort, their ride will be everything you'd expect from a Mercedes-Benz and better than most other new cars.

A Mercedes-Benz doesn't suffer the passing years like other makes. Its looks are classic and its build quality is second to none. A Mercedes-Benz doesn't 'age' like an ordinary car. Even after years of normal wear the 'tear' is barely discernible. That's because Mercedes-Benz build cars to look almost as good as new after 50, 70, or 100,000 miles.

The qualities that make a Mercedes-Benz such a desirable car never desert it. Reliability, prestige and safety are built in and stay for the duration. And just to be certain, a used Mercedes-Benz undergoes a lengthy and rigorous inspection by the dealer before it is offered for sale. Its Quality Used Car symbol, only available through officially appointed dealers, automatically carries at least 12 months mechanical insurance.

The car being sold is quite likely to have been serviced from new by the dealer offering it, if not it will almost certainly have a full service history within the Mercedes-Benz network.

If it is good enough for them to sell it's likely to be a better investment than many new cars. In which case, can you afford not to have one?

ENGINEERED LIKE NO OTHER CAR IN THE WORLD.

This symbol is auclusive to officially appareted Hercedes Beez dealers



FINANCIAL TIMES

Tuesday December 6 1988





Argentinians celebrate outside the National Congress building in Buenos Aires after the surrender of army rebels

Confusion persists in Argentina

By Gary Mead in Buenos Aires

STRONG rumours persisted throughout yesterday that President Raul Alfonsin of Argentina had made important concessions to army rebels who surrendered late on Sunday evening after occupying military installations.

Following the surrender, Mr Alfonsin said on national radio: "I have not made concesradio: 'I have not made concessions of any kind." He added that General José Dante Caridi, army chief of staff, "retains all my confidence."

Despite Mr Alfonsín's statement rehich neither grans fur.

ment, which neither gave fur-ther details of the surrender terms nor spoke of any punish-ment for the rebels, a confused air hung over Argentina throughout yesterday. Suspicions grew that the rapid end to the three-day rebellion hinted at a partial victory for the demands of the leader, Col Mohamed Ali Seineldin, rather than any westerning of his than any weakening of his men's resolve.

ordered a cessation of all operations, that the rebels would be handing in their weapons under the supervision of Gen Isidro Caceres, and that later "a fuller communiqué would be released".

were reports yesterday that Col Seineldin was still holding

out at the Villa Martelli base for some kind of deal with the

authorities.

Several factors conspired to firm hold in several other army establishments, including a mechanised infantry regiment at Mercedes (Buenos Aires province) and a regiment specialising in jungle warfare in the far northern province of strengthen such suspicions, not least the failure of Mr Alfonsin himself to state firmly that the commandos – who occupied the Villa Martelli arsenal on the outskirts of Buenos Aries - had unconditionally surrendered. And there

Gen Adolfo Etcheun, head of the fourth paratroop brigade in Cordoba, refused to obey Gen Caridi's orders to participate in crushing the insurrection. He said Col Seineldin's ideals were "the same as those of all the

By last night, the army high command had issued no fur-Gen Caridi's failure to mus-ter sufficient units to quell the rebellion quickly by force sugther bulletin after that of Sun-day evening, which simply stated that Gen Caridi had gests he faced a serious split in the army. His widespread unpopularity in the army, and his failure to gather enough support to break the rebellion, may indicate that his days as chief of staff are numbered. Equally important, it became At the same time, strong indications grew that the reb-els had secured a number of clear throughout yesterday that the rebellion had taken

eventual sacking of Gen Caridi. Those included an increase in the army's share of the national budget and an amnesty for all officers serving prison sentences for human rights abuses in the "dirty war" of 1976-1980, when at least 9,000 people disappeared and thousands more were tortured by the military.

other demands, besides the

Such an amnesty would not be immediate, but would be introduced after the presidential election of May 1989, and before the new president took office the following December. Mr Horacio Juanarena, Min-ister of Defence, is due to address the Senate this morning, and will inform Congress's upper house of the steps taken to achieve the surrender. He added that he expected

Mr Juanarena to dispel doubts "which we all have about the conditions of this settlement with the insurgents."

West Germany on course for another record trade surplus

By Andrew Fisher in Frankfurt

WEST GERMANY notched up another large trade surplus of DM10.6bn (\$6.2m) in October, with the figure for the full year set to reach another record. Several economists also fore-cast an even higher surplus for

But when the effects of price rises are allowed for, imports have actually grown faster than exports. In the first 10 months of this year, imports rose in real terms by 4.9 per cent compared with 4.4 per cent for exports, the Federal Statistic Office said.

"In volume terms, the sur-

"In volume terms, the sur-pluses are being reduced," said Mr William Ledward, an economist with Nomura Interna-tional in London.

Seoul Cabinet

purged by Roh

Observers noted that most of

Mr Cho Hyung, the new dep-uty Prime Minister and head of

Continued from Page 1

He estimated that German imports had expanded at an annual 10 per cent rate by vol-

ume in the August-October period of this year compared with an 8 per cent increase for

Germany's October surplus was higher than the DM10.1bn recorded in the same month of last year, but down on the DM113bn of September, 1988. The January-October surplus was DM101.4bn against DM93.8bn in the same period of

DM93.8bn in the same period of 1987, thus putting it well on target to exceed the DM117.5bn in the whole of last year.

German exports have been propelled along this year by a capital investment boom in major markets. Production figures from the Economics Ministry showed a 4.5 per cent rise in manufacturing industry output in September and October this year against the same two months of 1987. Total industry

output was up by 3.7 per cent, with declines in mining and construction.

Many German exports are fairly immune to price and currancy immune to price and cur-rency changes — the D-Mark has fallen against the dollar and been steady in Europe this year — and are expected to rise

year — and are expected to rise again next year.

Bayerische Hypotheken-und Wechsel-Bank said it expected "another robust rise" in Germany's foreign sales in 1989.

"Rising export prices will keep Germany's trade and current account surpluses at high levels, despite a substantial rise in imports."

imports."
The current account surplus, including goods and services, rose to DM7.9bn in October from DM7.2bn last year and to DM64.3bn from DM62.1bn in the first 10 months.

Minister embroiled in growing row over

bad eggs

By Philip Stephens, Lisa Wood and Nikki Tait in

A FURORE over the hygiene of Britain's eggs deepened yester-

day.
The British Egg Industrial
Council, which represents the
UK's 250 egg suppliers in a
business worth £1.5on (\$2.7bn)
a year, threatened to take Mrs Edwina Currie, Junior Realth Minister, to court over her weekend remark that "most" of the nation's eggs were infected with salmonella.

The Government, meanwhile, announced a new code of hygiene practice for Britain's poultry breeders as it acknowledged growing official concern about the incidence of the infection in the country's egg production. The code emerged from the Ministry of Agriculture as the British Egg Industry Council, representing about 250 egg suppliers, was considering taking legal action against Mrs Currie, her department and/or Indepen-dent Television News, over her remarks broadcast at the weekend suggesting that most British eggs might be infected. Meanwhile at the National

Meanwhile at the National Farmers' Union, Mr Simon Gourlay, president, said the NFU might consider suing Mrs Currie if her broadcast remarks about "most" egg production being infected with salmonella led to a substantial drop in soles drop in sales.

In a House of Commons statement, Mr Kenneth Clarke, Health Secretary, said that up to the end of October there had been 46 reported out-breaks of salmonella poisoning linked to eggs, involving about

1,000 people.

Mr Clarke urged MPs to Mr Clarke urged MPs to keep the problem in perspective, adding that the outbreaks were "very small" when set against dally UK consumption of about 30m eggs. He noted, however, that salmonella infection represented a growing problem and that the official figures may underestimate the numbers affected.

In those circumstances it was advisable that the elderly, the infirm, pregnant women and young children should

avoid eating eggs unless they were thoroughly cooked. Although clearly embar-rassed by Mrs Currie's remarks, the Health Secretary said it was the Government's duty to warn about the potential dangers of eating raw or lightly cooked eggs. It had advised catering concerns to use pasteurised eggs rather than raw eggs in food prepara-

tions.

He rejected opposition calls for Mrs Currie to resign, describing her as a valuable member of the Government.

The new code of conduct, issued by the Department of Agriculture, provides for a series of hygiene measures aimed at stamping out salmonella. They include a range of improved cleaning and disinimproved cleaning and disin-fection methods.

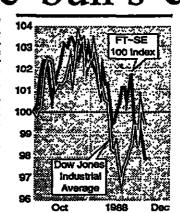
British Steel in the bull's eye

From the viewpoint of the British taxpayer, British Steel's debut must be regarded as the best possible outcome this side of Britoil or BP. For the same of Britoil or BP. the serious investor too, the shares seem to have cost exactly what they were worth, and if the stags are out of pocket, they had clear warning. On the other hand, the market fundamentals may take market mindamentals may take some days to assert themselves; as was suggested by the equilibrium reached by the shares yesterday afternoon—untouched by a sharp recovery in the FT-SE—the mechanics of the issue have yet to sort themselves out.

For the institutions who took over half the issue, there is no incentive to sell the partly paid at a profit of 2½p; and those who are underweight – foreign buyers especially – seem to have learned by experience not to drive the price up against themselves. Small investors will not be sellers until they get their allotment letters next week, and the more far-sighted buyer can recken that with the stock sold the cooling peek and with at its cyclical peak, and with at its cyclical peak, and with sterling strengthening daily against the D-Mark, there seems little risk of having to pay substantially more later on. It is always possible that the institutions will start to bid the yield down from 8 per cent the yield down from 8 per cent, but with the overall market still deeply unsettled, there seems little incentive to take such a fundamental view on anything.

Misubishi Motors

In Japan, they do things dif-In Japan, they do things dif-ferently. The contrast between British Steel and Mitsubishi Motors is poignant: the one on a yield of 8 per cent and a p/e of 4.9, on a first day premium of under 4 per cent; the other shooting to a premium of 70 per cent, despite a yield of just 0.6 per cent and a p/e of 92. In the face of Government exhorthe face of Government exhor-tation to keep the Mitsubishi premium within bounds, the Tokyo brokers argue that the price was set almost a month ago. But it seems clear that Nikko pushed its marketing effort to the hilt, besides pursuing preferential allotment on a scale which drew muted pro-tests from Mitsubishi itself. The result is an embarrassing reminder of the Recruit Cosmos affair - a perfectly nor-mal Japanese flotation, after all, in terms of the scale of dealing profits, and only slightly unusual in the method of share allotment. It will be interesting to see whether talk of share offerings by tender



comes to anything; one sus-pects it is too early to expect such transparency of the Japanese system.

William Collins

It has never been quite clear whether Mr Rupert Murdoch's real aim was to buy William Collins on the cheap, or to sell it expensively to a bidder spurred into action by his own rival offer. He may still man-age the latter — though there is no sign of anyone else yet to get the auction properly under way. But the former goal looks distant indeed.

Control could presumably be nanaged without too much dif-

ficulty, at these or only slightly higher levels: with 41.6 per cent of the votes already, it cannot be that difficult to bring another 8.5 per cent of voting stockholders round to the Murdoch case. But outright ownership, with all the cash flow benefits that would bring, must be a different matter. Other publishing companies have managed to sell them-selves on multiples which would suggest a price for Collins' voting shares at least 50 per cent above the current offer; and Mr Murdoch is surely unrealistic to expect shareholders to settle for so

much less.

However, Collins may be equally unrealistic in claiming that Mr Murdoch has manufactured his concern over the company's management to serve the interests of his pocketbook. Considering the num-ber of management defections from Collins recently, he cannot be the only concerned shareholder on the register.

Share stakes

If Lord Young wants to make the stock market more trans-parent, he could find better ways of doing it than by mak-ing investors declare holdings

above 3 per cent. As the present 5 per cent limit does not give predators a particularly impressive platform from which to launch a bid, lowering it further would not make their lives a great deal more difficult. Meanwhile, friendly investors generally do not mind declaring a holding, and many already do so at levels far below 5 per cent. Only the largest institutions, for whom 3 per cent is a normal-sized

per cent is a normal-sized stake, may be a little inconvenienced by the sheer amount of notifying that they would be required to do.

On balance, the cost of obtaining the extra information may be even slighter than the benefit, so the change probably merits a place in the new companies bill. However. Lord Young would be better advised to tackle the obscure system of nominee holdings, or if that seems too radical, to make companies disclose holdings more speedily. The five days of anonymity that the present arrangements offer to bidders allows them to zoom up to 14.9 allows them to zoom up to 14.9 per cent before anyone gets to hear of it, leaving the market free to dream up pet theories about the buyer's identity. In the days when messages were delivered by cleft stick, five days may have been fair enough, but in the era of the fax machine it seems a bit

Unbundling

Shearson's new wheeze for dressing up equity and calling it debt is one of clearest demonstrations so far that the US tax breaks on corporate debt are in need of reform. The transaction leaves investors with three pieces of paper which together are almost identical to the share they started out with, while the company is left with a liability that is not significantly differ-ent either. Except, of course, in the vital respect that the company goes on paying the divdends as before, but gets tax relief as though it were paying out interest at a higher rate. Given the value of the tax benefit, Shearson had no trouble in finding four guinea pigs willing together to "unbundle \$5bn of equity. However, it may find persuading investors that the scheme is equally good value a bit more difficult. Even though the bundles contain a sweetener which protects investors if the common shares perform badly, tax pay-ers who have to pay CGT on the exchange may prove almost as suspicious about the scheme as the taxman.

French act on Channel tunnel complaints By Paul Betts in Paris and

By Paul Betts in Paris and Andrew Taylor in London FRENCH construction companies building the Chan-nel tunnel will publicly defend themselves next week against complaints that they are to

complaints that they are to blame for delaying the project. The French companies, Bouygues, Spie Batignoles, Dumez, SGE and SAE, are members of Transmanche Link, in which they are grouped with five British construction groups. The French companies have called a press conference in Paris next Tuesday to present their case. day to present their case.

Eurotunnel, the Anglo-French group which placed the contract, has criticised the management of Trans-manche for tunnelling delays which it says are responsible for increasing the cost of the £4.7bn (\$8.69bn) project by more than £100m.
The contractors say problems with machinery, difficult ground conditions and the fail-

ure of a French company supplying one of the tunnel borers contributed to the delays. Eurotunnel is seeking finan-cial penalties against the con-tractors for failing to meet

interim targets.

British members of Transmanche, Balfour Beatty, Costain, Tarmac, Taylor Woodrow and Wimpey are also annoyed about Eurotunnel's complaints but did not say whether they planned a similar press confer-

ence.
Some of the British contractors have said that they might counter claim against Eurotunnel. They say targets were agreed when it was thought construction would get underway in summer 1987, but that a crucial share issue by Eurotunnel was postponed. This meant tunneling did not start until the beginning of this year.

UK retail sales climb despite slowdown in growth of credit

Aug 87 Jan 1988

prised analysts who expected the provisional figures, show-

ing a 1.9 per cent increase, to be revised downwards.

August and September. In the three months to October, sales were 1 per cent higher than the

previous three months and 51/2 per cent higher than the corre-

sponding period a year before. The credit figures suggest consumers may have reacted

to higher interest rates by

repaying outstanding borrow-

ing - particularly on credit cards - rather than restricting

their use of credit. New credit

advanced in October, before taking account of repayments, was only slightly lower than in September, at £3.5hn compared

The rise follows falls in both

the new figures are relatively inexperienced academics from the prestigious Seoul National University, but most have an international outlook. BRITISH Consumers' outstanding credit showed the smallest rise for nearly two years in October but retail sales remained buoyant, according to official statistics

economic policy, is an academic economist who said yesreleased yesterday. released yesterday.

The Department of Trade and Industry figures failed to clarify conflicting signals about the outlook for consumer spending. Financial markets continued to be unsetted by fears that high interest rates will be needed for some time to control inflation, and may even rise further.

The pound strengthened furterday that the country's aim will be to reduce dependency on exports and develop a more balanced internal economy. He will be helped by the appoint-ment of Mr Park Seung, The new Finance Minister, Mr Lee Kye Seong, with a long career in the economic bureaucracy, is expected to have a close relationship with the overall leader of the team, Mr Moon Hee Gab,

The pound strengthened further yesterday, largely on interest rate speculation, despite limited intervention by the Bank of England. In quiet trading, sterling rose 1½ pfennigs against the D-Mark and allower 1½ presents and presents and allower 1½ almost 1% cents against the dollar.

The DTI figures showed the amount outstanding on consumer credit agreements increased by £81m (\$151m) in October after adjustment for normal seasonal variations. That was much less than the £321m increase in September and the lowest rise for any month since November 1986 - possibly suggesting that the rise in interest rates during the summer is beginning to bite. However, retail sales vol-umes rose steeply by a revised sonal adjustment. This sur-

Total consumer However the DTI warned agreements that it was unwise to read too much into a single month's fig-

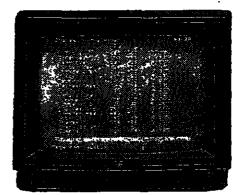
ures. The amount outstanding on bank credit cards fell by £78m in October. There was only a small rise, of £8m, on the amount outstanding with retailers. New credit advanced by finance houses fell by 9 per cent in October to £1.23bn, probably reflecting the fall in

car sales from summer peaks. car sales from summer peaks.
Analysts took some comfort
from the credit numbers. Mr
Bill Martin, economist at
Phillips & Drew, said it was a
"sign of hope" although it was
not yet reflected in retail sales figures.
The latest retail sales figures

appeared to conflict with anecdotal evidence from last month's Confederation of Brit-ish Industry/Financial Times distributive trades survey. This pointed to a marked slowdown in the growth rate in October.
This month's survey results, to be published on Thursday,

will give the first guide to retail sales trends in November and prospects for December. The value of sales in October was £8.92bn - 10 per cent higher than the corresponding month a year before. The sea-sonally-adjusted index of retail sales volumes stood at 141.2

Mmm



Compulsive Phewing ...

Every week day put yourself at the heart From around £3 per day put yourself in Eye's minute-by-minute price updates 0276 69170 for over 2,500 UK equities, gilts and London-traded international stocks.

Developed by the International Stock Exchange, Market-Eye - "The Investor's Channel' - is established as the UK's leading broadcast price information service. Transmitting nationwide to your desk top; in real-time; and using the very latest BBC Datacast technology.

That means high-quality, timely information available via a simple screen and keypad unit or, optionally, via an add-on board, for a suitable personal computer. With many special features such as custom pages and limit-minder alarms and no paper, telephone lines or heavy communications bills . . .

of the investment picture with Market- the picture by calling Katie King now on

0210 031704 .
Or write for further information to Katie at Market-Eye, Unit 2H/2J, Afbeny Park, Frimley Roed, Camberley, Surrey GU 15 2PL, STOCK EXCHANGE.
Согарану:
Address:
Telephone:
THE INVESTOR'S CHANNEL
Renember intentments can pe down as well as up. BBC and Datactest are trade marks of the British Broadcasting Corporation. "Market-Eop is a trade much of the International Stock Exchange.

Ajacia Adalesa Austerdant Adalesa Berrain Berrain Berrain Berrain Berrina Berr S 19 66 O'Cleanly D-Grizzia F-Pair Fe-Fee H-Hall S-Rain S 17 63 S-Seat St-Seet Sp-Secur T-Throader

WORLD WEATHER



FINANCIAL TIMES

COMPANIES & MARKETS

PLANT WOLSELEY =

INSIDE

product would be seen

Ir Research

Marie 15 3 Tomas

may be a

Mariana in the

Berger of the state of the stat

A COURT ! TOTAL

d a second

to dream of mining

sered to det

s may nave and

machine is said

Bentrey : Die 1900

MIN TO WILL THE

THE RESIDENCE OF SERVICE

setet :: 4.2 m

CONTRACTOR AND THE COURSE

ID:

Billian Co. -

ALCOHOL: 1

gallbauda

Hillers b ... restered

Bouygues builds up its defences



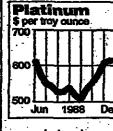
Mr Martin Bouygues, 36, has just been appointed deputy chairman of Bouygues, the large French civil engineering

day to succeed his father at the head of the company. In an Interview with Paul Betts, he says the flurry of speculation which surrounded Bouygues' shares last summer had a positive effect on the group, strengthening its internal cohesion. Page 30

Nigerlan woes for Paterson

Paterson Zochonis, the UK-based trader which specialises in West Africa, yesterday warned that its interim profits would probably be lower than last year because of the weakness of the Nigerian currency, the Naira. The company also had problems in 1987 in Nigeria, which accounts for about 25 per cent of profits, but on that occasion it blamed the local level of con-sumer demand.Page 38

A long-term view of platinum



Platinum warrants are to be issued by J. Aron, the New York commodities dealer, giving speculators a way of taking a long-term view of the market for the first time. The price of the metal has been volatile but relatively high in recent touched \$614.25 an

ounce in London - the highest level for six months. The warrants can be converted between December 23 and June 23 1990 at \$590 an ounce. Page 40

British farmers feel the pinch

A debate on UK farmers' declining incomes has been put firmly back in the spotlight by Mr Simon Gourlay, President of the National Farmers' Union. The combined effects of inflation, borrowing costs and higher sterling had imposed a crippling penalty on agriculture, he said. Every percentage rise in base rates now translated into 6 percentage points off the Industry's already low net income, he claimed Page 40

A snapshot of Sterling Drug



When Eastman Kodak, the US photographic glant, bought Starling Drug early this year, the deal catapulted it into the pharmaceutical industry - and into a lot of criticism from analysts who argued that it had paid too

covery record. Mr Jack Thomas, who took over the helm at Sterling two months ago, has the tough and unenviable job of ensuring thatkodak's gamble succeeds. Page 28

Market Statistics

European options exch FT-A indices FT-A world indices FT hat bond service

London share service London traded options London tradit, options Money markets New Int. bond isse World commodity prices
World stock exict indices
UK dividends announced

Companies in this section

ACAL AT&T Am'can Business Sys Aran Energy BICC Barrack Mines Beaverco Bols Bouygues Brown & Tawee Burndy CSR Caradon Carless Clayhithe Collins (William)

Computer Consoles Dobson Park Inds

Dural International

Retcher Challenge

Grand Metropolitan

astman Kodak

GEGC

Laporte Leigh interests Lexicon Maxwell Commun Corp Morris Ashby NatWest National Freight Cor Navistar News International Norcros Paterson Zochonis Reject Shop Rodamco SI Group Saga Petroleum Santos Seiller SA Statoli 37 Sterling Drug
31 Sterling Publishing
36 Transformic

39 Harmony Leisure

imei Isuzu Motors Kelt Energy

Chief price changes yesterday

TOKYO (Yes) Plines
Achilles 1239
Total Carbon 1020
Kyucha El Pwr 3270
Falta
Tokyo Sta Kogyo 321₂ -1220

New York prices at 12-39.

231 979 SUS A LWT 156 356 110 310

for Mitsubishi **Motors offer**

SHARES IN Mitsubishi Motors Corporation (MMC), lamiched on the Tokyo Stock Exchange yesterday in Japan's biggest private sector flotation, shot to an imme-diate premium of nearly 70 per cent over the offer price to give the company a market value of Y1,114bn (\$9.18bn).

A wave of buying defied efforts by the Ministry of Finance to dampen the speculative fervour which has surrounded new issues in Japan this year. It emerged yesterday that Mo? officials, after trying a number of ways to ensure that offer prices are pitched closer to a realistic market level, now favour a move away from fixed-price issues towards a system of competitive tender offers. This follows the apparent fall-

ure of other recent measures to ensure companies an orderly debut – and to help prevent a repetition of the country's Recruit Cosmos scandal over expedient share allocations. In particular, the MoF had urged securities houses involved in new issue underwriting to set the pri-cing high enough so that the first-day appreciation was kept to the region of 15 per cent. Yesterday's outcome is likely

to add to controversy over the

way the MMC issue has been handled. The company itself last month added its voice to critimonth added its voice to criticism from prospective investors that the stock was parcelled out too readily among brokers' favoured clients ahead of the official mid-November selling period.

Against an offer price of Y850, MMC shares closed yesterday at Y1,440. It was the day's volume leader with 43 8m units changing

der with 43.8m units changing hands - representing more than half the 70.3m shares, or 9.1 per cent of the company, which were made available to the public in

Even so, this went only part of the way to satisfy buying orders which totalled some 288m shares, and it was early afternoon before an opening price of Y1,380 could

In another attempt to smooth the arrival of new issues, the exchange had exempted first-day trading from its usual stop-limits on how much a share may move each session. Japan's Big Four stockbroking houses led by Nikko Securities, manager of the issue, were said to have imposed informal price ceilings of their own in accepting bids, but could not contain demand. Lex, Page 26; World Stock Mar-kets, Pages 49 and 52

New plan to retire companies' equity

By Anatole Kaletsky in New York

yesterday applied to convert a total of \$5bn (£2.7bn) of their common stock into a new type of hybrid debt and equity security which could have significant implications for management and corporate finance practices

around the world.

The issue of the new financial instruments, dubbed Unbundled Stock Units (or USUs) by Shearson Lehman Hutton, their inventor and underwriter, was halled by some analysts on Wall Street as a possible alternative to leveraged buyouts, apparently provid-ing a tax-efficient means for companies to retire some of their equity from the stockmarket at relatively low short-term cost. American Express, Dow Chemi-cal, Pfizer and Sara Lee, the four

companies which yesterday companies which yesterday applied to the Securities and Exchange Commission to issue the USUs, said they hoped to retire large portions of their common stock by issuing USUs.

Each company's common shares would be exchanged into security "bundles" of three components, to appeal to three different motivations among investors.

ent motivations among investors for holding stock.

The biggest component, called the Base Yield Bond, would pay an interest rate exactly equiva-lent to the common stock dividend currently being paid by the issuing company. The bonds would be issued at a deep dis-

count to the par value at which the company would redeem them in 30 years. Effectively, the BYBs would be to a combination of interest-paying debentures and

zero coupon bonds.

The second income-producing security in the USU bundle, to be called the Incremental Dividend Preferred Share (DP), would pay its holders income equivalent to any increases in common-stock

dividends over the next 30 years.

The final part of the package would be an Equity Appreciation Certificate (EAC), in effect an option, with an unusually long life-span of 30 years that would be convertible into the issuing company's common equity at a strike price substantially above its present level.

In 30 years all three components would automatically be bundled back together into one share of common stock.

Among the USUs' main attractions appeared to be the fact that they would transform part of the issuing company's dividend stream into tax-deductible interest payments.

From many investors' standpoint, however, converting common shares into USUs would also have hig drawbacks. Apart from the loss of voting rights, investors who chose to convert their shares would have to convent their shares would have to pay tax on any capital gains, as if they had sold their shares for cash. Lex, Page 26

TI sells silencer and tubes units for £141m

TI Group, the UK-based specialist engineering company which has undergone a radical transformation in the past two years, is to raise another £141m (\$262m) by selling its European automotive

silencer businesses and its Cana-dian tubes subsidiary.

TI is to sell Cheswick and Bain-bridge, the silencer companies, for fillen to Arvin Industries, a US motor components group with ambitious plans for European market leadership. Standard Tube Canada will go to Ferrum, a Canadian tubing manufacturer, for C\$69m (US58m). The disposals amounced yes-terday are in line with TI's strat-

egy to concentrate only on spe-cialist products in which it could establish world leadership. This was especially true in the automotive sector where manufactur-ers were looking for world suppli-ers and Ti said it had decided against the necessary investment to develop the silencer business. Arvin said yesterday it intended to be the European leader by the early 1990s in the original equipment and replacement market for exhaust

suspension systems and tyre The US group's existing European operations include Gabriel, a Dutch-based distributor of shock absorbers, struts and catalytic converters and Amortex, a French maker of ride-control

systems, catalytic converters,

products. Its Schrader Automotive tyre valve subsidiary has a French factory, and Arvin has a West German joint venture on exhaust systems with Bosal

exhaust systems with bosai International.

Cheswick is the leading UK maker of original equipment vehicle silencer systems; Bainbridge dominates the replacement market. They have a joint factory at Blackpool and plants in the Notherlands and Spain. The two UK companies

achieved operating profits of £12.2m on turnover of £105.6m in the first 10 months of 1988, according to management accounts. Standard Tube Canada, a maker of steel tubing, showed pre-tax profits of C\$7.8m on sales of C\$97.3m for the same period.

Since the beginning of 1987, TI has sold more than a dozen com-panies – including much of its original tubes business, Raleigh bicycles and domestic appliance brands such as Creda, Parkray and Russell Hobbs - for a total of more than \$850m.

In return, it has spent more than £300m for sector-leading specialist businesses such as Bundy small-diameter tubing, John Crane mechanical seals and Thermal Scientific high temperature vacuum furnaces.

TI yesterday also announced the planned sale of two peripheral Thermal Scientific businesses to management for £4m.

Large premium Bridgestone pumps up the pressure

John Griffiths on the intense competition facing the world's tyre makers

estern tyre manufacturers have been jolted V into accepting that Bridgestone of Japan is deadly serious about, and in a hurry to make good, its declared intention to depose Goodyear and Michelin to become the biggest player in the world's \$40bn a year tyre

Tuesday December 6 1988

Bridgestone's announcement last week of a \$1.5hn investment in Firestone Tire & Rubber, less than nine months after buying the US group for \$2.6bn (beating off a rival bid from Gruppo Pirelli of Italy in the process), has shaken Western tyre industry chiefs like Goodyear's chairman, Mr Bob Mercer. He had expected a longer digestion period before Bridgestone contemplated further

significant expansion. Instead, over the next three years Bridgestone is to spend \$1bn in North America, mainly on increasing Firestone's tyre output at its plant in Wilson, North Carolina, by 30 per cent and at Joliette, Quebec, by 40 per cent. Some \$300m is to be spent in Europe, notably on a 30 per cent capacity expansion at Fire-stone's Burgos plant in Spain (the other \$200m is being spent in

non-tyre sectors).
Only two months ago Mr Mercer, on a swing through Europe seeking to reassure investors about Goodyear's own relatively lacklustre performance, had seemed to take comfort in the fact that, while "Bridgestone eventually is after world domination of the tyre industry," the Firestone takeover would not provide the Japanese producer "with one bit of extra capacity" for Bridgestone's own tyres, except at the expense of cutting output of the much better known Firestone brand.

A frisson of concern is now running through the industry because the ambitious plans for Firestone come at a time when buoyant conditions in the world's motor industry have largely elim-inated the over-capacity which had plagued the tyre industry in the early to mid-1980s, and dur-ing a wave of new investment by other players in the industry.

The fear is that all this new investment may start coming on stream at roughly the same time as both the North American and West European car and truck industries go into forecast cycli-cal downturns. There could thus be sparked off a fierce new round of competition between tyre makers, most of whom have begun making worthwhile profits again only relatively recently.

At the end of this time Pirelli hopes to account for about 9m of the US' 130m units a year market around a third of the world's

Margins among the leading players recently have been com-ing under pressure as they have jostled for increased market share before embarking on their

capital spending programmes. Goodyear is itself investing around \$600m in expanding capacity in North America. Groupe Michelin, the secretive French group which over the

past few years has remorselessly closed the gap between it and Goodyear - to the extent that they are now at virtual level pegging in tyre turnover terms - is investing some \$700m in its North American operations and as much again in other plants world-wide.

Continental AG of West Germany, currently the world's fourth-largest tyre maker, is investing nearly \$700m in the US, mostly in the General Tire operations it bought last year for DM1.1bn (\$636m) and on a truck tyres joint venture with Yoko-hama and Toyo of Japan. And Mr Ludovico Grandi, gen-

eral manager of of the tyre divi-sion of Pirelli, which has already opened three new plants in Europe this year, last week dis-closed that it is to invest up to \$250m over the next four years in Armstrong Tire, one of the smaller US producers which it bought for \$190m following its unsuccessful attempt to acquire

Well over \$6bn of new invest ment is going into the industry outside the Comecon bloc, and at least a dozen more plants are due to go on stream around the world

in the next few years.

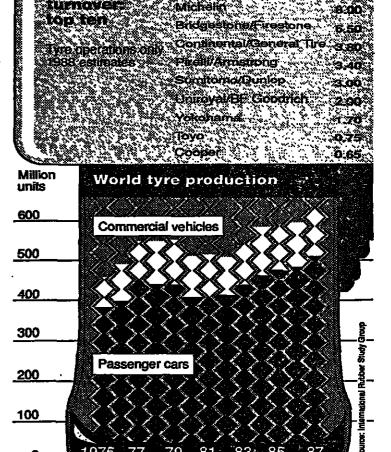
Despite the latest announcement and the meteoric progress of Bridgestone since the late 1970s, when its low-technology products were still regarded with contempt in the West, some of its main major rivals are still sceptical about the company on two fronts: how it will cope long-term in its US and European plants with the loss of the production cost advantages of its native Japan, and its underlying technological strength

logical strength, . Mr Gunter Sieber, sales and marketing director of Continental, suggests that, although pre-cise productivity comparisons are difficult, this advantage may be of the order of 20-25 per cent, but that outside of Japan "our pro-ductivity is not very inferior." Pirelli's Mr Grandi is rather

more blunt. Leading Western tyre makers are more than capable of competing, he insists.
"Inside Japan, they have a better situation than in the West workers prepared to work longer hours, shorter holidays, easier access to finance and so on. That's been the key to their success. But as they follow their car producers into manufacturing

operations in the US and Europe,

they will lose most if not all of their cost advantages." Goodyear's Mr Mercer professes to be particularly sceptical about Bridgestone's ability to stay abreast of the intense technology race going on in the industry. He insists that "techni-



Tyre industry ... Goodyean

cally Bridgestone cannot do it concentration in the industry across the board. Goodyear, across the board. Goodyear, whose tyre research and development spending will be around \$270m this year, "will not yield number one as long as we keep our research and development focused. Technologically, we've got a head start on them?" They are brave words; and it

will take some time yet to establish whether they are justified. In the meantime, the share of the world market taken by the Japanese continues steadily to increase. With the Firestone acquisition Bridgestone and the three other main Japanese producers – Sumitomo (which owns Dunlop tyre operations in Europe), Yokohama and Toyo control, according to Continental's estimates, some 28 per cent of the world market, compared with around 19 per cent for Goodyear and just over 18 per cent for Michelin.

It is a measure of the rationalisation that has already taken place that the world's top ten companies now account for nearly 85 per cent of the world

However, few senior tyre industry executives in the West expect the growing thrust from Japan to force any further, major

Pirelli's Mr Grandi says he expects that the leading groups will remain in broadly their present forms, subject to joint ventures and some minor acquisitions and realignments, "for the next 10 years or so," although Pirelli is making sure keep its own options open. It is regrouping all its tyre operations under a new Dutch-based company, Pirelli Tyre Holding BV, in which plans to float a 20 per cent holding on the London, Amster-dam and New York stock

exchanges by early 1990. Continental's Mr Sieber also thinks collaboration rather than confrontation could be the best way forward with the Japanese, and points to Continental's ven-ture in the US with Yokohama and Toyo as an example.

Among the assets the Japanese can bring to such ventures, it is suggested, are access to Far Eastern markets and good production organisation. In return, Western producers can offer tyre technology and engineering skills of a depth which the Japanese have yet to attain.

Mr Sieher insists that, from the West's point of view, the technology transfer process can be kept under control.

Thomson to drop N Sea operations

By David Owen in Toronto and Max Wilkinson in Landon

INTERNATIONAL Thomson Organisation intends to sell its North Sea oil and gas interests in order to concentrate on its main

businesses of information, publishing and travel.

Thomson has interests in 33 offshore blocks in the North Sea which include the Piper, Claymore, Scapa and Balmoral oil fields and six UK onshore blocks. Its share of remaining reserves in these four major fields totalled. these four major fields totalled 75.3m barrels at December 31. In 1987 Thomson North Ses had a turnover of US\$423m with

an operating profit of \$71m. Its assets were valued in the parent group's annual report as \$266m. London analysts expect the assets to fetch between £200m (\$371m)and £300m in the sale which will begin on January 3 and is expected to take three

The sale follows a general trend for groups to sell North Sea assets which they do not operate. RTZ recently sold its 29.9 per cent in London and Scottish Marine Oil, and Lasmo is now trying to sell its 25 per cent of Enterprise Oil.

The Thomson sale comes seven months after the Piper Alpha platform accident — the worst in the history of North Sea oil pro-duction — which killed 160 people and severely reduced the group's oil production.

Thomson said the accident made the decision to sell its energy assets "particularly difficult." The company, which has received related insurance proceeds of US\$135m, said it would retain its share of responsibility for matters relating to this acci-

In the nine months ended September 30, Thomson made a net profit of US\$160m, against \$150m last year, on sales of \$2.98bn, against \$2.67bn.

IF YOU'RE A CASH RICH COMPANY, THIS IS THE LAST ADVICE YOU'LL NEED.

that the most is made of it without losing flexibility or accessibility?

At Midland Montagu we've answered this question by introducing a new product called tied-up for long periods. 7 Day Interest Rate Floors.

invest your cash with your chosen bank on a weekly basis. Then, with Midland 01-260 0950.

Having short term liquid- Montagu, choose your interity is all well and good. But est rate and pay a small what could you be doing premium against interest with this money to ensure rates falling below your chosen level.

> If they do, we will make up the difference. You take advantage of the markets, whilst not having your money

For the last word on the Quite simply, you can subject, or to answer any questions you may have about our new product, ring

Midland Montagu Treasury Sales

10 LOWER THAMES STREET, LONDON, EC3R 6AE. 01-260 9000. ISSUED BY MIDLAND BANK PLC. A MEMBER OF IMRO AND AFBD.

INTERNATIONAL COMPANIES AND FINANCE

Zayre announces further shake-up after stores sale

holders as part of the latest

clothing stores and a small catalogue sales operation. TJX had sales of \$1.82bm in the 12

In a recent report Mr Ellis

said: "T.J. Maxx has been one of the most consistently suc-

cessful companies in the retail

industry in recent years." He estimated TJX as a whole it

would earn pre-tax profits of

\$144m on sales of \$1.9bn this

from apparel merchandise for less than paid by department

store chains. In common with

other retailers known as "off-pricers" it negotiates a better price by not seeking advertis-ing or markdown allowances and by specialising in end-of-

Coupled with a highly effi-

cient operation it can sell at

prices 20 per cent to 60 per cent below department stores', Mr Ellis estimates.

Once the restructuring is

complete, Mr Ben Cammarata, chief executive of TJX, will replace Mr Maurice Segall as

chief executive of the merged

T.J. Maxx buys brand goods

calendar year.

months ended October 29.

By Roderick Oram in New York

ZAYRE, A medium-sized US retailer, has announced further steps to restructure its operations following the sale of its department store chain two months ago.

It will pay shareholders a special dividend of about \$3.50 a share and it plans to merge with TJX, its highly successful retail clothing subsidiary which it owns 83 per cent and whose name it will adopt next

Zayre's stock slipped \$% to \$25% on the news while TJX's rose by \$% to \$25%. TJX's minority shareholders will receive 1.35 Zayre common shares ex-dividend for each of their shares.

The restructuring is an attempt by management to develop a successful retailing formula after a slump in aftertax profit margins from 2.6 per cent in 1984 to 0.5 per cent in 1987 while sales grew from \$3.12bn to \$6.19bn.

Two months ago Zayre sold its loss-making discount store chain to Ames Department Stores for \$800m. Ames said yesterday it will close 77 Zayre stores early next year, predominantly in the southeastern US. to save \$50m of losses a year. It believes it can return the remaining 318 Zayre stores to their historic levels of profit-

Zayre announced yesterday it would spin off its BJ's Wholesale Club and Home Club operations to its share**Computer** software standard talks fail

By Louise Kehoe in San Francisco

THE PROSPECTS for a single moves. Together they had sales of \$1.54bn in the 12 months computer industry software standard that would enable different types and brands of computers to share data and software appear to be fading fast with the failure of two powerful industry groups to agree over the future of "open ended October 29, Zayre said. They will generate pre-tax earnings of \$45m this year, estimated Mr Joseph Ellis, an analysts with Goldman Sachs. Following the spinoff, Zayre-TJX would consist almost entirely of the T.J. Maxx and Hit or Miss chains of cut-price systems" software. Yesterday the Open Soft-

ware Foundation, an industry group backed by IBM, Hew-lett-Packard, Digital Equipment, Groupe Bull Apolio Computer and others, said it had suspended talks with AT&T aimed at trying to resolve the dispute.
It had been hoped the talks,

which have been going on intermittently since early this year, would lead to a compromise that would have enabled the industry to work toward a single standard for software.

Mr Henry Crouse, president of the Open Software been software for said the talks had been tion, said the talks had been

"non-productive." There did not appear to be any point in continuing talks at present. AT&T, whose Unix computer operating system is at the centre of the industry dispute expressed surprise at Mr Crouse's statement. "We did not know that the talks were

off," it said. Over the past week it has become increasinly clear, how-ever, that AT&T and its backers, which include over 20 computer and software compa nies, were determined to develop their own "standard"

The AT&T group, which last week gave itself the title Unix International, will base its software on the latest version of AT&T's Unix, while the Open Software Foundation will use IBM's AIX, a derivative of Unix, as the core of its software standard.

for software.

A computer operating system is a program that controls the inner workings of a computer. It defines the way in which data is handled by the computer and provides a set of instructions which operators and application programs can use to control the computer. Unix is one of the most widely used operating systems.

Slow progress for Kodak's Sterling gamble

Peter Marsh reports on the US photographic group's move into new product areas

r Jack Thomas has a tough and unenviable job. He is trying to ensure that Eastman Kodak, the US photographic giant, is on to a winner with its \$5.1bn gamble aimed at taking the group into new product areas. Mr Thomas is chairman and chief executive of Sterling Drug, the US pharmaceutical and consumer products com-pany which Kodak bought in February. The purchase was part of the photography com-pany's grand plan to diversify away from its traditional ba away from its traditional base. The acquisition which fol-lowed Sterling's rebuttal of an approach by F. Hoffmann-La Roche of Switzerland, which had offered \$4.2bn for the com-

pany catabulted Kodak into a starting position in the drugs industry, a field it had been preparing for since 1984.

The move, however, has been criticised by drug industry observers on the grounds that Kodak paid a very large sum for a company with no more than a modest reputation

in drug discovery. Mr Thomas admits that Kodak will probably have to wait until the mid-1990s, before it starts to make money from its investment

Asked if the purchase price was justified, he answers with a slight grin: "I feel better about it now than when we did Mr Thomas is an amiable 52-year-old who joined Kodak as a chemical engineer in 1961 and

took the helm at Sterling in He took this job after a series of mainly research-based positions at Kodak, one of

which was in charge of the company's research laboratories. He also took over the com-pany's life sciences group in spearhead Kodak's thrust into new hiology-based products in health care and agriculture.

Until the Sterling acquisi-tion, however, which immedi-ately provided \$2.3bn of annual revenue, the life sciences group was still in the product develnothing to Kodak's total sales last year of \$13.3bn. Mr Thomas went to some length to defend Kodak's strat-

much of Sterling's drug research was "sub-critical." but nevertheless offered a good base from which Kodak could expand into the pharmaceutical arena. Mr Thomas is said by business associates to be non-dictatorial, hard-working and will-

ing to learn about the drugs industry, a field in which he

egy in buying Sterling. He said

has had only limited experi-Helping him has been the fact that the takeover has had a generally favourable response from Sterling's directors and employees - many of whom had bitterly resisted the

intial Roche offer. They felt the Swiss company. already an established player in the pharmaceutical business, might make severe job cuts and rationalise Sterling's research efforts if its bid suc-

Kodak, in contrast, has kept Sterling's 20,000 strong work-force virtually intact, and has kept on nearly all the com-



Jack Thomas: does not try to diguise difficulties

It is also to retain Sterling's household products division which sells goods including cleaning materials and other consumer items and which it was widely assumed Kodak would want to sell after the takeover. The household products division contributed about \$900m towards Sterling's 1987

The photographic giant has, however, restructured Sterling's upper management. This was partly brought on by the departure soon after the takeover of four key Sterling directors, including the chairman and president.

Despite this, says Mr Thomas, there is a strong element of continuity in the management team. Of the 18 men in the reshuffled senior management group, 15 were with Sterling before the acquisition,

and only three have come in from Kodak.

Criticism of the Kodak purchase has centred on Sterling's relatively lack-lustre activities in relation to prescription-only drugs. Sales of these products came to around \$700m in 1987 - which put the company in about 40th position in the world prescription drugs league table. The biggest selling product

in Sterling's prescription drug portfolio is not a conventional medicine, but an imaging reagent called Omnipaque used in diagnostic systems. Sterling had been spending

\$100m a year on health care research and development, which is small by drug indus-try standards. The company is generally reckoned, however, to have more to offer in the field of over-the-counter drugs which can be bought without a prescription.
Sales of these products,

which include several large-selling painkillers, such as Bayer aspirin and Panadol, came to \$700m last year, making Sterling one of the top US companies in non-prescription medicines.

Another plus point about Sterling, according to some analysts, is its generally well regarded global marketing net-work which takes in more than 100 countries.

Mr Thomas's strategy for Sterling has several broad

• Increased research and development. Spending by Sterling in 1989 in this area will be \$200m, twice the 1987 figure. Sterling's 1,600-strong

mented by 200 researchers for-merly at Kodak's life sciences group. This scientific battalion will work in new areas of heart, brain and cancer drugs.

· Licensing activities. Sterling, says Mr Thomas, is study-ing possible licensing deals through which the company could bring into its development programme drugs origi-nated by other companies and which it could add to its prod-

ucts portfolio.

Links with small companies. Mr Thomas says he hopes for useful results from Kodak's joint ventures with small biotechnology companies. The bio-technology companies include Cytogen, Immunex, Neorx and Enzon - all based

in the US. • Links with other Kodak activities. Kodak's expertise in chemical synthesis, which is closely linked with many of its photographic activities, could help in the general search for new drugs, says Mr Thomas. This expertise could also pro-vide products which could evolve into items sold via Sterling's household goods divi-

Mr Thomas does not attempt to disguise the difficulties ahead. Nonetheless he is hope-ful of the company's prescription drugs business growing at a double-digit rate over the next few years.

"Kodak and its shareholders should start to see the benefit of the acquisition when the research pipeline starts to fill," he says. "But that is unlikely to be until the beginning of the next decade at the earliest."

Sharp rise at Navistar

By Karen Zagor in New York

NAVISTAR INTERNATIONAL, the leading US truck manufacturer, has been boosted by continuing strong demand for medium and heavy trucks. Fourth-quarter net profits increased to \$82m, or 29 cents per share, against the \$54m or 18 cents earned in the comparable period last year.

Sales in the fourth quarter to October were \$1.1 bn, up from \$1bn for the same period last

September 2, 1988

For the full year, Navistar had net income of \$244m, or 84 cents per share, compared with \$33m or 3 cents per common share, a year earlier. This year's profits came after an after-tax gain of \$24m recorded in the first quarter from the settlement of certain Navistar International Corporation Can-ada pension liabilities and a \$23m gain on the settlement of

Intel predicts recovery in orders next year

By Our Financial Staff

INTEL, a leading US maker of semiconductors, which last month warned of a significant drop in fourth quarter revenues and earnings, has pre-dicted that orders will start to pick up next year.

The California-based group now says it expects orders to begin picking up in the second

quarter of 1989. Mr Jean Claude Corret, Intel vice-president, told a First Bos-ton technology conference that fourth quarter should be worked through in the first half of next year. Intel's key 80386 micropro-

cessor is used in the latest per-sonal computers, and the group has adopted an aggressive strategy to ensure it remains the sole supplier of such chips. Mr Corret said Intel was bas-

ing its prediction of an upturn on information gained from its 20 largest customers, which account for 80 per cent of its

Last month Intel said that a reduction in orders for the 80386 microprocessor and related products would lead to a 10 per cent decline in fourthquarter revenues, from the \$785m reported for the third

quarter.
It then added that earnings would also decline, to between 40 cents to 50 cents a share. In the year-ago fourth quarter the group reported net income of \$95.5m or 55 cents a share on revenues of \$572.5m. 'We have a good understanding of when (these customers) will finish adjusting their inventories," Mr Corret com-mented. "We know when people will begin to resume buy-

He added that for the first half of next year, intel expected steady growth in orders for the 80386 chip, while those for the older 80286 chip would

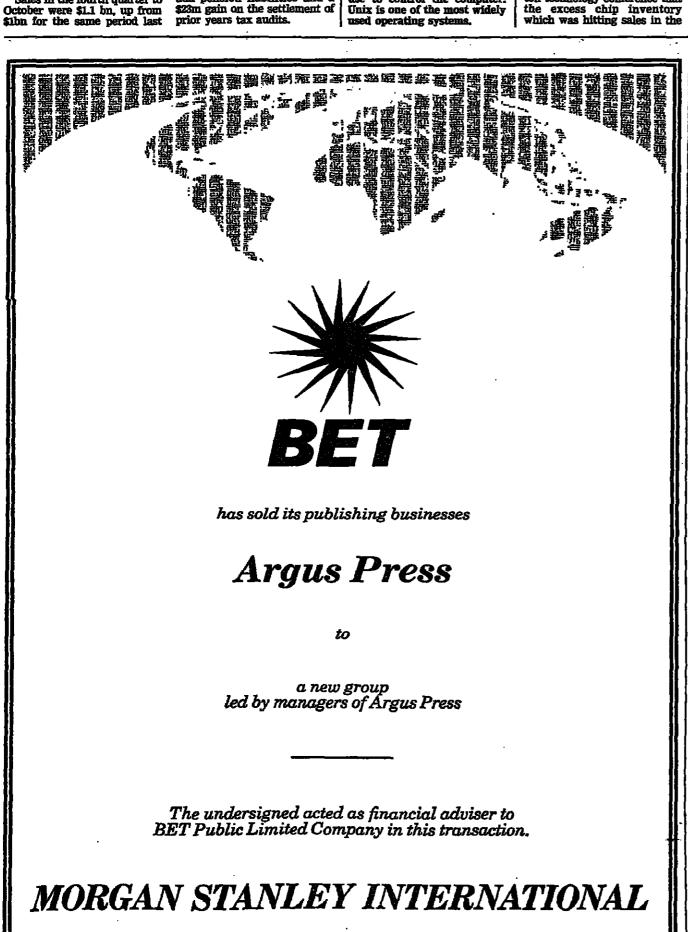
However, he said combined orders for the two should be well above 1988 levels.

IBM forms advanced workstation division

INTERNATIONAL Business Machines has realigned respon-sibilities in its IBM US personal systems business and formed a division responsible for advanced workstations. AP-DJ reports from New York.

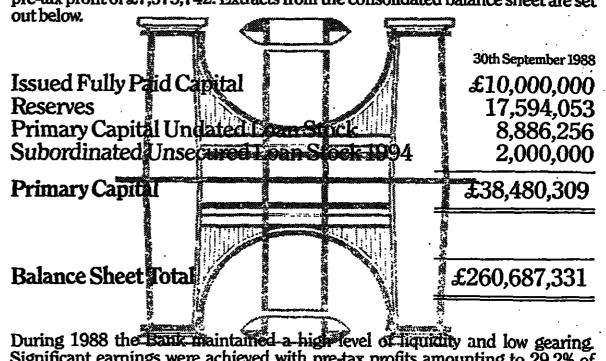
Mr A. Cannavino, IBM vice-president, has been named president of entry systems, reporting to Mr Richard Ger-stner, vice-president and gen-eral manager of personal systems. Mr Cannavino was president of data systems.

Mr William Lowe, formerly entry systems president, has resigned from IBM.



HUNGARIAN INTERNATIONAL BANK LIMITED LONDON

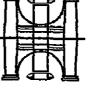
The Board is pleased to announce for the year ended 30th September 1988 a pre-tax profit of £7,573,742. Extracts from the consolidated balance sheet are set



During 1988 the Bank maintained a high level of liquidity and low gearing. Significant earnings were achieved with pre-tax profits amounting to 29.2% of Shareholders' Funds and 20.5% of Primary Capital.

> Liquidity Primary Capital/Total Assets

43.9% 14.8%



The 1988 Accounts will be published shortly. Please contact the Company Secretary for a copy. Telephone: 01-606 5371. Address: Princes House, 95 Gresham Street, London EC2V 7LU.

Read the papers and you get yesterday's share news. Use FT Cityline and you get this second's share news. Now for the first time, this service is available over any phone. Send off the coupon or ring the numbers below for more information.

Return to: FT Cityline, FREEPOST, Diss, Norfolk, IP22 3BR. Please send me my free FT Cityline Share Index booklet [

I'd also like a free copy of the FT Cityline Unit Trust booklet \Box Company (if applicable) ___

Name

NOW ANYONE CAN GET STRAIGHT TO THE CITY FROM THEIR SETTEE. 01-925 2128 OR 01-925 2323

FT Cityline reserves the right to withdraw financial reports without notice. Calls cost 38p (peak & standard rate), 25p (cheap rate). FT Business Information Ltd, Registered Office, Bracken House, 10, Cannon Street, London EC4P 4BY. Registered in England no. 980896

RAND MINES LIMITED

From the Statement by the Chairman D T Watt for the year ended 30 September 1988

THE GROUP REMAINS RESOLUTE IN ITS DRIVE TO IMPROVE BOTH THE QUALITY AND DIVERSITY OF ITS EARNINGS

Overview

I am pleased to report that year on year the Group has achieved an improvement in earnings of some seven per cent. The higher level of profits has in turn made it possible to increase the total dividend distribution for the year to 450 cents per share.

A notable achievement was the acquisition of the controlling interest in Lefkochrysos Limited. This investment will enlarge the Group, place it in a stronger position in the strategically important platinum industry, and enable it to commence platinum production much sooner than would otherwise have been

The Group remains resolute in its drive to improve both the quality and diversity of its

Results at a glance	1988 R million	1987 R million	% Change
Rand Mines Limited, subsidiaries, associates and managed companies			
Turnover	2 679.8	2 576.2	+4
Total assets	4 606.2	3 801.7	+21
Number of employees	94 990	98 700	-4
Group consolidated result	 B		
Turnover	957.3	855.6	+12
Profit before texation	241.9	220.8	+10
Profit attributable to			
shareholders	164.5		+7
Total assets	<u>2 413.8</u>	1 848.0	+31
	Cents	Cents	
Earnings per share	1 467	1 369	+7
Dividends per share	450	435	+3
Net asset value per share*	8 809	11 504	23
Dividend cover (times)	3.26	3.15	+3

Includes excess of market value over book value of listed investments.

The consolidated balance sheet continues to reflect considerable strength, with the Group in a sound position to advance with its many new projects.

Mining Industry

The South African mining industry has now entered into what will probably prove to be one of the most difficult periods in its history. The double-digit inflation rate, which has prevailed for a number of years, constitutes a major threat to both profitability and the long term survival of the industry.

Industrial Relations

Strike action in South Africa was at its lowest level since 1983 and there are signs of a new realism in relations between trade unions and management.

Prospects

It appears reasonable to expect that the level of international economic activity will at least be maintained and that the dollar prices of base metals and minerals will remain firm in the year

The Group's gold producers, and particularly Harmony, should have a better year.

The demand for steam coal on world markets is likely to expand further and improved spot prices should be maintained.

On balance earnings for 1989 should show a satisfactory improvement over the results achieved in the 1988 financial year.

Johannesburg 22 November 1988





3.7 7.5 3.6

10.3 20.0

BREAKING NEW GROUND EVERY DAY.

Standard & Chartered

Standard Chartered PLC (Incorporated with limited Bability in England)

US\$400,000,000 Undated Primary Capital Floating Rate Notes (Series 3)

In accordance with the provisions of the Notes, notice is hereby given that for the Interest Period from 6th December, 1988 to 6th June, 1989, the Notes will carry interest at the rate of 9:40 per cent. per annum. Interest payable on 6th June, 1989 will amount to US\$475.22 per US\$10,000 Note and US\$11,880.56 per US\$250,000 Note.

Standard Chartered Merchant Bank Limited Agent Bank

I.G INDEX LTD, 9-11 GROSVENOR GARDENS, LONDON SW1W OBD Tel: 01-828 7233/5699 Reuters Code: IGIN, IGIO

Prices taken at 5pm and change is from previous close at 9pm

FT 30 FTSE 100 WALL STREET

Dec. 1452/1461 +1 Dec. 1779/1789 N/C Dec. 2119/2131 +32

Mar. 1466/1475 +1 Mar. 1797/1807 N/C Mar. 2141/2153 +34

 Low
 Company
 Price

 1B5
 Ass. Brit. Ind. Ordinary
 279

 186
 Ass. Brit. Ind. Ordinary
 279

 25
 Armitage and Rhodes
 37

 33
 888 Design group (USM)
 33

 155
 Bardon Group
 171

 100
 Bardon Group Cote. Pref.
 117

 103
 Bremkill Com. Pref.
 110

 246
 CCL Group Ordinary
 286ad

 124
 CCL Group 11% Cam. Pref.
 169

 129
 Carbo Pic (SE)
 147ad

 100
 Carbo 7.5% Pref (SD)
 112

 167
 George Blair
 353

 60
 Isk Group
 118

 87
 Jackson Group (SE)
 109ad
 62 53 16 292 57 50 84 10.0 -43 43 8.7 41 128 92 34 7.8 2.1 2.7 6.7 5.2 11.0 12.3 14.7 6.1 10.3 12.0 113 100 Cartio 7.5% Pref (SE)

353 167 George Stair

119 60 Isk Group

118 87 Jackson Group (SE)

287 245 Multihouse NV (AnniSE)

119 40 Robert Jeskids

430 124 Scruttons

280 194 Torday & Carlisle

100 100 Torday & Carlisle Coor Pref

46 56 Trevian Holdings (USM)

113 100 Unistrut Europe Cany Pref

354 350 Veterinary Oray Co. Pic.

332 203 W.S Yestes 15.5 3.0 12.0 6.8 42 2.0 37.1 2.8 13.5 3.3 0 10.7 10.7 -0 2.7 2.9 10.3 0 8.0 7.4 +1 22.0 6.2 9.4 +2 16.2 4.9 63.8

SPONSORED SECURITIES

Securities designated (SE) and (USA) are dealt in subject to the rules and regulations of The Stock Exchange, Other securities listed above are dealt in subject to the rules of TSA

These Sexurities are dealt in strictly on a marketed bargain basis, Melther Grawille & Co Limited nor Grawille Davies Limited are market makers in these securities Granville & Co. Limited. 8 Lovat Lane, London ECJR SEP Telephone 01-621 1212

involve their spirits divisions.

The deal is considered most likely to mean Bols taking control of Heineken's spirits unit, either through an acquisition or a joint venture. Mr Hans Smits, analyst at broker CLN Oyens en van Eeghen, said: "There is tremendous competition in the spirits market, where sales are contracting. I can well imagine both companies would find it profitable to integrate their spirits businesses." # Lout Law, Lordon EC3R ERP Telephone 01-621 1212 Member of the Stock Exchange & TSA

INTERNATIONAL COMPANIES AND FINANCE

Bouygues builds on shares raid

Paul Betts on the French construction group's new-found optimism

"no regrets" over the stock market storm this autumn which shook Bouygues, the company founded and transformed in 36 short years by his father, Mr Francis Bouygues, into the world's biggest con-

struction group.
Its interests range from civil engineering, to water distribu-tion and television. "The stock market attack on

our group is part of one of those inevitable cycles in the life of a company," the young-est son of Mr Francis Bouygues says with the same sort of down-to-earth philosophy his

father displays.

He is speaking in the small corporate jet flying him to Casablanca to review progress of the huge mosque Bouygues is building for the King of Morocco.

"But it (the stock market attack) has had a very positive impact on our group," Mr Mar-tin Bouygues adds, explaining that it not only strengthened the internal cohesion of the company but also prompted it to consolidate its shareholding structure to protect it from unwelcome speculators.

The raid by unidentified speculators also encouraged the 66-year-old chairman and founder of the company to address the difficult problem of his eventual succession. Until Mr Nicholas Bouygues, the eldest son, left the group after a clash with his father to form his own company three years ago, everybody regarded him as the most likely candidate to take over the reins.

Now, Mr Martin Bouygues, who has been running the group's Maison Bouygues cata-logue home business as well as its Saur water distribution subsidiary, has been appointed deputy chairman, while his other brother, Olivier, has taken charge of catalogue

home activity.

Aged 36, Mr Martin Bouygues now looks all set to succeed one day his father, even though he will have to prove himself in the coming months as the "dauphin" of a group which has always been synony-mous with its forceful founder. "What will happen to Bouy-

gues after Francis is gone is the big issue facing the group," explains a Paris analyst familiar with the company. "Even though Francis's health now

Heineken talks

with Bols spark

HEINEKEN and Bols, the two

Dutch drinks groups, said yes-terday they were discussing links in certain unspecified

areas, raising speculation in Amsterdam that Bols may take

control of its large rival's

control of its large rival's spirits unit.

The two companies said details would be announced later this week. No merger, or takeover by Heineken of Bols, is being considered, and analysts said planned co-operation between the groups is likely to involve their spirits divisions.

The deal is considered most

speculation

By Our Financial Staff

choing the famous Edith
Piaf hit, Mr Martin
Bouygues says he has
"no regrets" over the stock

The decision to appoint Mr Martin Bouygues as deputy chairman also reflects the group's intention to keep a Bouygues at the top.
"It is interesting to see other

"It is interesting to see other leading French entrepreneurs taking similar steps to prepare thier succession," the analyst adds. "Jean Luc Lagardere of Matra and Hachette is doing it with his son and Gilbert Trigano, the founder of Club Mediterrance, seems to have the same idea."

Apart from heating always

Apart from having always worked closely with his father, Mr Martin Bouygues also appears to have the advantage of being a team player who seems well placed to achieve a delicate consensus among the various "barons" running key branches of the Bouygues busi-ness and who inevitably nurture ambitions of their own.

bove all, however, he is A likely to give the group a sense of continuity and already seems to be laying down the line when he says: "Construction will remain the core business of this group. It's the root of our company and even though we plan further diversifications we are not about to abandon our roots." The last months have seen a

recovery in Bouygues' international construction business. The company, which is working on the Channel Tunnel, the construction of two big tower blocks in Hong Kong, and the Casablanca mosque, is expec-ted to win the contract to build the Agadir airport in Morocco. And it has just formed a joint venture in the Soviet Union to build a hotel.

Bouygues is also studying a series of airport and other hotel projects in the Soviet Union. But Mr Michel Debresse, head of Bouygues' FFr30bn (\$5.07bn) a year con-struction division, says the group's overall profitability remains "too low. . . boosting our level of profitability is a key priority.

Bouygues's profitability has hovered around 1 per cent of sales for some time. Profits this year are expected by analysts to total a little over FFr500m on sales of around FFr50bn. But the company, which faces one major out-standing construction liability

By George Graham in Paris

BANQUE Internationale pour l'Afrique Occidentale (BIAO), the 135-year-old French bank

which used to issue currency for Francophone West Africa, is to be bailed out by Banque Nationale de Paris (BNP), the largest state-owned bank.

BNP, which already had an indirect holding in BIAO through the Cofffa holding company will take owner with a

company, will take over with a

direct 51 per cent stake, after a capital restructuring at the orders of banking supervisors. The supervisory authorities have ordered BIAO to bring its

have ordered BIAO to bring its provisions on sovereign debt risks up to 40 per cent of its exposure, at a total cost of around FFr600m (\$101.5m), wiping out the bank's entire capital and reserves.

Cofifa, separately listed on the Parls second market with BNP as its main shareholder, could not take part in a capital increase, as it would have wiped out its own capital base.

BNP, which has been seek-

all the components are now in place for a recovery in overall profitability. Apart from the recovery in the international construction sector, its new investments in the French roadworks sector are expected

to start paying off this year. Although the group in Mr Martin Bouygues's words, "has no intention of letting diversifi-cations swallow our core busi-

ness, they remain very impor-tant." The group is now



Martin Bouygues: attack "had a very positive impact"

planning to expand its Saur water distribution activities, especially in the UK, where it has already bid for three statutory water companies and is now looking, according to Mr Martin Bouygues, at two or three other water groups.

But Bouygues' most ambitious and controversial diversification to date is undoubtedly its FFr1.5bn investment in TF-1, France's leading privatised television network.

Mr Martin Bouygues again has no regrets about the investment in TF-1, even though it has considerably raised the group's public pro-file and exposed it to the appetites of stock market raiders. Indeed, TF-1 was widely seen as the main target of the stock market attack on the company

two months ago. It also prompted Mr Robert Maxwell, one of Bouygues' partners in the television venture, to acquire a stake of just under 5 per cent in the con-

ing for some time to shed its holding in BIAO but is thought to have been offered little

choice by the authorities, will take up Cofifa's rights. BNP and BIAO have already

merged their Niger subsid-

iaries, and their overlapping African networks are now expected to be restructured

expected to be restructured more radically.
BIAO, whose largest subsidiary is in Nigeria and which hopes to expand in English-speaking Africa, will cut its staff in France and move to

less opulent headquarters.
Commission Bancaire, the supervisory authority, has been gradually imposing tighter provisioning requirements on a number of banks installed in Paris. Most major

banks have made provisions

for more than 40 per cent of their sovereign debt risks. Other big shareholders in BIAO include Banco do Brasil and Union Bank of Switzer-land, with 20 per cent each.

BNP to take 51% stake

in bank rescue package

Bouygues, according to the British publisher.
But Bouygues claims the group never asked Mr Maxwell for help. Indeed, Mr Maxwell was subsequently deeply put out by Mr Francis Bouygues's decision to step down as chairman of TF-1 and appoint in his place Mr Patrick Le Lay, the network's managing director and a key member of the Bouygues management stable who has from the beginning

has from the beginning adopted an American-style approach 1 by placing the priority on viewer ratings.

"We are not completely stupid in the cement industry," says Mr Martin Bouygues. "We felt TF-1 was a good business to be in and we intend to turn it into a very profitable populit into a very profitable popular family-orientated network." If TF-1 has turned Bouygues into a much more speculative stock than in the past, it says it now controls with its tradi-tional friendly allies, including Crédit Lyonnais and Compagnie Financière de Suez, about 45 per cent of the TF-1's capital and 50 per cent of the voting

What makes Bouvgues an even more difficult takeover target, according to Mr Martin Bourgues, is the group's peculiar personality. "As a company, we are a special case with our own special management and industrial approach. I don't see how you could simply come in and break this group up in pieces.

the construction site of the Casablancs mosque there was a telling sign of Bouygues' highly individual approach. Outside the prefabricated administrative offices, a big poster painted in Bouygues orange colours listed the com-pany's "12 commandments."

Commandment four stated that at Bouygues "we work with fervour" and command-ment six said: "We are a fight ing community driven by a sense of challenge." Mr Francis Bouygues's own headquarters a corporate Versailles of glass and lakes in the outskirts of Paris, has also been named "Challenger." And at TF-1, Mr Bouygues has adapted his cor-porate philosophy by pinning everyday in the network's lifts all the latest TV ratings much to the irritation of some of the channel's superstars.

Framatome to acquire US electrical group

By Our Financial Staff

FRAMATOME, the French nuclear plant and engineering group, has signed a definitive agreement to acquire Burndy, a Connecticut-based maker of electronic and electrical con-periors for \$25 a share or a nectors, for \$26 a share, or a total of about \$325m.

barndy said a Framatome subsidiary will begin a tender offer later this week which will be subject to, among other things, a minimum of two-thirds of the outstanding shares being tendered.

The US company, which had revenues last year of \$284m and net profits of \$11.6m, also said that its chairman, Mr David Dibner, and certain related shareholders had granted Framatome an option to purchase their 2.2m shares, or about 17 per cent stake, at the offer price.

In addition, Burndy has

In addition, Burndy has granted Framatome a so-called lock-up option to purchase up

This announcement appears as a matter of record only Notice of Redemption



Volkswagen Aktiengesellschaft

Sponsored American Depositary Receipt Program

Incorporating 5 ADS for each Ordinary Share

Broker-Dealer

Depositary Bank

Goldman, Sachs & Co. Morgan Guaranty Trust Company

November, 1988

Caradon pic

RECORD INTERIM RESULTS

Further substantial growth in the half year to 2nd October 1988

	1988 £'m	1987 £m	Increase
TURNOVER	129.8	82.4	58%
OPERATING PROFITS	15.4	10.2	51%
PRE-TAX PROFITS	15.4	9.0	71%
EARNINGS PER SHARE	17.2p	12.4p	39%
DIVIDENDS PER SHARE	3.5p	2.5p	40%

Copies of the Interim Statement are available from the Secretary at the Company's Registered Office at 30 St John's Road, Woking, Surrey GU21 ISA

Notes will cease to accrue Dated: December 1, 1988

NOTICE

To the Holders of the

Kellogg Company

U.S. \$100,000,000 10%% Notes due January 15, 1990

NOTICE IS HEREBY GIVEN that, pursuant to the terms and conditions of the Fiscal Agency Agreement dated as of January 15, 1985 between Kellogg Company and Citibank, N.A., Fiscal Agent, under which U.S. \$100,000,000 1076% Notes due January 15, 1990 (the "Notes") were issued, the Kellogg Company has elected to redeem all of the outstanding Notes on January 15, 1989 (the "Redemption Date") at a Redemption Price equal to 100% of their principal amount, plus interest accrued to, but not including, the Redemption Date. The

principal amount, plus interest accrued to, but not including, the Redemption Date. The conditions precedent to such redemption have occurred.

On January 15, 1989 the Notes shall become due and payable. The Notes will be paid upon presentation and surrender thereof, together, in the case of bearer Notes, with the unmatured coupons appertaining thereto, failing which there shall be deducted from the Redemption Price an amount equal to the face amount of all such missing coupons. Payments in respect of the Redemption Price and accrued interest on the Notes shall be made in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts and will be made, subject to any applicable lews or regulations, at (a) with respect to bearer Notes, the main offices of Citibank, N.A. in London (Citibank House), Paris (Citicenter). Amsterdam, Brussels, Frankfurt, the main office of Citicorp Investment Bank (Switzerland) in Zurich and the main office of Citicorp Investment Bank (Luxembourg) S.A. in Luxembourg, and (b) with respect to registered Notes, at the office of Citibank, N.A.. 111 Wall Street, Corporate Trust Services, 5th Floor, New York, NY 10043.

In the case of bearer Notes, coupons due on or before January 15, 1989 should be detached, presented and surrendered in the usual manner. Interest payable January 15, 1989 interest on all Notes will cease to accrue.

Withholding of 20% of gross redemption proceeds of any payment made within the United States may be required by the Interest and Dividend Tax Compliance Act of 1983 unless the paying agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee, Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities for payment within the United States.

ICE

EMBER 6 1968

community of the ### S COM THE STATE merate repaired HANGE TO STATE OF THE SERVICE OF THE SE TRANSPORTE 200 1 - 10 Tar

amatome 10 v

ectrical grow Our Financial Sut AMATONIC DE POS SMAR PLANT DE TOTAL

MARKET TO SEE Symposition in the 2006. MINE and select to the Surface MANY . . WELL THE LEASE STATE OF THE PARTY OF THE CHARLE STREET The Charles Maria Par Mark promises

avis simple Parties and the second - Action THE WAY **** CI = \(\frac{1}{2}\)

RIM RES

tala: 10-5

touth in the sales

US\$125,000,000 First Chicago Corporation

Floating Rate Subordinated Capital Notes Due December 1996 Notice is hereby given that the Rate of Interest has been fixed at 9,4375% and that the interest payable on the relevant Interest Payment Date, March 6, 1989 against Coupon No. 9 in respect of US\$100,000 nominal of the Notes will be US\$2,359.38.

December 6, 1988, Landon
By: Citibank, N.A. (CSSI Dept.), Agent Bank

CITIBANCO

INTERNATIONAL COMPANIES AND FINANCE

Fletcher reveals 9.7% CSR stake

By Bruce Jacques in Sydney

FLETCHER CHALLENGE, New Zealand's biggest company, yesterday revealed itself as the second largest shareholder in CSR, the Australian building products, sugar and aluminium group.

Mr Hugh Fletcher, chief

executive, made the surprise declaration of a 9.77 per cent CSR stake, worth about A\$320m (US\$278.7m). The holding, half of which was apparently purchased from Sir Ronald Brieriey's Industrial Equity (IEL), ranks behind only the AMP Society, Australia's biggest institution, which controls about 15.3 per cent of CSR.

It is believed CSR manage-ment was told of Fletcher's holding about a week ago. Mr Gene Herbert, deputy managing director, said in London yesterday: "They sought our approval and we were happy for them to do it." The two companies see each other as potential joint venture part-ners particularly in future pro-

iects overseas. Fletcher will not initially seek board representation, but the companies already have a common director — Mr Bryan Kelman, former CSR chief executive.

Fletcher's emergence ends

heavy turnover. Far from heightening takeover speculation, the news calmed the mar-ket yesterday and saw CSR shares fall 8 cents to A\$4.26. Fletcher is probably showing a loss on its stake at this price.

CSR scrip has sold above A\$5 this year, but has underper-formed the market in recent months, mainly because of the its perceived exposure to ashestos-related legal claims.

Mr Fletcher said yesterday the CSR investment reflected a strategy of investing in industries where Fletcher had an

mild uncertainty about CSR's empathy and which had sound share register caused by recent long-term growth potential. long-term growth potential. CSR's two core businesses are

building products and sugar. "CSR has undertaken a major rationalisation of its activities over the past few years," Mr Fletcher said, "and now has strong competitive positions in all the business in which it operates. Because of our long association with CSR, we are familiar with those businesses and their people. The investment provides an excellent opportunity for Fletcher Challenge to partici-pate in the building materials industry in Australia."

Barrack may double silicon project

Response to the Perth group's venture has proved positive. Kenneth Gooding reports

esponse to a major sili-con metal project -which will add about 4 4,000 everyday products ranging from car cylinder heads and engine blocks and furni-ture polishes to surgical aids per cent to current world sup-plies - planned by Barrack Mines, the Australian group, and cosmetics has been so positive the com-pany already is considering

doubling the size.

Barrack became involved in the A\$120m (US\$104.5m) proj-101,000 tonnes or 15.9 per cent.
Barrack's project is designed
specifically to turn out chemical grade or metallurgical ect only a year ago but expects to have its plant at Kemerton, 165 km (102 miles) from Perth in Western Australia, in full production at an annual rate of 24,300 tonnes by 1990. More than half the output

has been committed to long-term contracts with US and European companies including Thyssen Schulte, part of the Thyssen Handesunion group, and Dow Corning of the US which has been from a unique native hard-wood: Jarrah. working with Barrack on the

Currently Australia does not produce silicon metal. The US is the major supplier with an output of 111,000 tonnes in 1986, or 17.5 per cent of the total, followed by Norway,

grade product.
All three main raw materials required are within reach of the Kemerton plant. White quartzite comes from Barrack's quarry at Moora, 345 km from Kemerton, and the reductant to be used is charcoal produced

The charcoal is low in ash, particularly low in impurities and its electrical properties are such that the two 18 megawatt furnaces to be used will have the lowest specific power con-sumption of any similar fur-naces in the world.

Even so, Barrack will become the biggest private user of electricity in Western

Australia.
Mr David Paice, managing director of Barrack, says: "The project will produce silicon in the lowest cost quartile of sili-con producers thanks to the power cost structure, an impor-tant factor in silicon produc-tion, and quality and local availability of our raw materi-

e points out that the feasibility of doubling production at substantially lower incremental capital and operating costs is currently under review and adds that world prices for silicon have risen by about 20 per cent in the year since Barrack acquired the project.

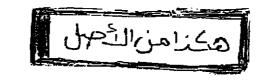
At the initially planned capacity, the project will add about A\$17m to annual pre-tax profits of Barrack which were A\$16m in the year to June. Even before the silicon project contributes, Barrack expects profit in the current

financial year will be double that of the previous 12 months, thanks to a jump in its gold output and high copper prices. Barrack started copper out-put from its Horseshoe gold mine, 920 km north of Perth, in

February this year and will produce about 36,000 tonnes of copper concentrate a year.
Barrack is part of Mr Dennis
Horgan's Barrack House
Group, which has a wide variety of interests. In the past four years Barrack Mines has brought three gold mines into production, built output up to 131,000 troy ounces this finan-

cial year and expects to reach 200,000 ounces by 1991-92. Mr Horgan, in Europe in connection with the listing of Barrack Mine shares in Brussels yesterday, says the company will continue an aggressive gold exploration policy and spend A\$9m this year in Aus-tralia and New Zealand, up from A\$6m in 1987-88. This should result in Barrack developing a new gold mine project every two years - "and I can

already see two more at least."



NEW ISSUE These securities having been sold, this autouncement appears as a matter of record only. 30th November, 1988



البنك العقاري الكويتي Kuwait Real Estate Bank

(Incorporated in Kuwait by Emiri Decree dated 13th May, 1973)

Kuwaiti Dinars 10,000,000 634% Bonds due 30th November, 1991

The National Bank of Kuwait S.A.K.

Knwait Real Estate Bank K.S.C.

Al Ahli Bank of Kuwait K.S.C.

Bank of Bahrain and Kuwait B.S.C., Kuwait Branch The Bank of Kuwait and the Middle East K.S.C.

The Gulf Bank K.S.C.

Gulf Investment Corporation

Kuwait International Investment Company s.a.k.

Securities Group S.A.K.

Securities House K.S.C.C.





Collateralized Floating Rate Notes

Series A due December 1997 In accordance with the provisions of the Notes, notice is hereby given that for the three months Interest Period from December 6, 1988 to March 6, 1989 the Notes will carry an Interest Rate of 9%% per annum. The interest payable on the relevant payment date, March 6, 1989 will be U.S. \$2,406.25 per U.S. \$100,000 principal

By: The Chase Manhattan Bank, N.A. London, Agent Bank



Provinsbanken A/S

U.S. \$60,000,000 Floating Rate Capital Notes 2000 For the six month period 6th December, 1988 to 6th June, 1989

■ In accordance with the provisions of the Notes, notice is hereby given that the rate of interest has been fixed at 97% per cent. per annum, and that the interest payable on the relevant interest payment date, 6th June, 1989, against Coupon No. 7 will be U.S. \$238.56.

S.G. Warburg & Co. Ltd. Agent Bank

Santos in offshore expansion

development under a technol-

Silicon is a light, lustrous-

grey metallic element which, once further processed or alloyed with materials such as

aluminium, is used in about

ogy agreement.

By Bruce Jacques in Sydney SANTOS, Australia's largest onshore petroleum producer, has advanced its stated aim of becoming a force in the country's offshore oil search by figuring prominently in new exploration permits awarded

by the Federal and Northern Territory governments.
Santos is a member of three successful bidding consortiums for permits in Australia's most prospective offshore oil area, the Timor Sea, where at least two commercial fields have already been discovered. With the recent A\$440m (US\$383.3m) acquisition of Peko Oil, a key Timor Sea explorer, Santos is

NKr960m (\$148.4m).

This would have increased

Total's stake in Saga from 5 per cent to 35 per cent. But Saga's board blocked the deal by refusing to amend the company's by-laws to increase for-

eign ownership in the company

from 40 per cent to 60 per cent. Aker and DnC have now

made an offer to Saga's other Norwegian shareholders to par-

Bankers Trust Company, London

now involved in 10 out of the

12 permits in the area. Mr Ross Adler, Santos chief executive, said yesterday the company now has an overall interest in about 20 per cent of the Timor Sea's 40,000 sq km

permit area, including the producing Jabiru and developing Challis oil fields.

"The oil discovery success rate for the area is high and the area has been lightly explored by international standards," he said.

"The area's prospectivity has

"The area's prospectivity has

also been lifted by the performance of the Jahiru reservoir

significantly higher than originally estimated." Mr Adler compared the Timor Sea's oil potential to that of the North Sea. "More than 500 wells have been drifled in the UK and Norwegian

sections of the North Sea since the mid 1960s," he said.
"In the Timor Sea, which is one sixth of the North Sea area, about 30 wells have been drilled and 200m barrels of oil have been discovered so far. There are many undrilled prospects... and there is every indication that substantially more oil is yet to be discovered.

which has produced at rates Aker, DnC seek support for sale of Saga stakes

By Karen Fossii in Oslo THE BATTLE for Saga Petroleum, Norway's largest independent oil company, took a new twist yesterday when Aker and Den norske Creditticipate in the sale in a bid to gain the backing needed to reverse this decision by Saga's board. The two companies are offer-Aker and Den norse Credi-bank, its two largest domestic shareholders, launched an attempt to gain support for the sale of their stakes to Total Norsk Marine, the Norwegian subsidiary of Paris-based Total-CFP.

TOPS SERIES III LIMITED

(Incorporated with limited liability in the Cayman Islands) U.S. \$110,000,000

Series III Floating Rate Trust Obligation

Participation Securities due 1992

Secured by a Charge on a Portfolio of Fixed Rate Bonds

and Notes with an aggregate principal amount of U.S. \$159,810,000

For the period 2nd December, 1988 to 2nd June, 1989 the securities will carry an interest rate of 9.4625% per annum with a coupon amount of U.S. \$11.959.55 per U.S. \$250,000 denomination and U.S. \$23,919.10 per U.S. \$500,000 denomination, payable on 2nd

Listed on the Luxembourg Stock Exchange

ing to purchase 3/7ths of the stakes in Saga held by Norwe-gian shareholders for NKr120 a share, the same price they have agreed with Total. Analysts said the move by Aker and DNC appeared to Last month Aker, the large industrial group, and DnC agreed to sell their respective have a further motive - to tackle criticism from the Oslo stock exchange that they had 20 per cent and 10 per cent Saga stakes to Total for NKr120 ashare or a total of received preferential treatment over other shareholders in

Saga, with such a high premium on the current share price of NKr96.

"This will mean every Norwegian shareholder in Saga has an equal opportunity to sell," said the Oslo bourse yes-

Should the Aker/DnC initiative clear the way for Total's acquisition, the deal would then have to gain acceptance by Norwegian authorities.

Agent Bank

Statoil board clears venture with Himont

By Karen Fossii THE BOARD of Statoli, the Norwegian state oil company, has approved its participation in a NKr1.4bn (\$216.4m) joint venture project with Himont, the US-based polypropylene subsidiary of Italy's Ferruzzi-Montediary of Tray's Ferruzzi-

subsidiary of Italy's Ferruzzi-Montedison group.

The companies have a two-phase plan to build a polypro-pylene facility in Antwerp, Bel-gium. The first phase calls for annual production of 150,000 tonnes while the second phase

calls for later expansion by 300,000 tonnes. To proceed, Statoli may have to clear two additional hurdles. The first one involves gaining acceptance from the general assembly, which is represented

by Mr Arne Ocien, the Oil and Energy Minister. Mr Ocien, however, may be reluctant one year ahead of a general election to put his general detection to but ms stamp of approval on a project of such scale. He is more likely to endorse the project but send it to a vote in the Storting (par-liament) where it could face

The Government is still smarting from Statoil's NKr6.8hn budget overshoot on the Mongstad refinery and terminal expansion project.

The blunder has prevented Statoil from paying the state a dividend for 1987 and 1988. Mr Herald Norvik, Statoli's chief executive, said in September that he was prepared for the company to experience poor financial results in the next

two to three years. A White Paper to be debated in parliament about Statoil's future role has been postponed until next spring. Statoli is seeking greater independence without being split up.

Isuzu Motors to buy finance unit's shares ISUZU MOTORS has agreed to buy back before the end of 1988 most of the 51 per cent of Isuzu Motors Finance held by General Motors of the US for an undisclosed sum, Reuter reports from Tokyo.

An Isuzu official said the company, itself owned 41.4 per cent by GM, wants to use the

finance unit to strengthen domestic sales and car leasing

amount of Notes

To enhance its access to U.S. investors

Volkswagen Aktiengesellschaft

has established an American Depositary Receipt program sponsored by Morgan Guaranty Trust Company:

Volkswagen is the first West German company to undertake a sponsored program for ADR's. Sponsored programs have traditionally made foreign securities more attractive to U.S. investors and offer an excellent means of building a broader shareholder base.

J.P. Morgan is the world's leading ADR issuer, handling over 500 companies in 29 countries. For more information, contact Robert E. Thys, Vice President, in Brussels at (32-2) 508.84.30.

JPMorgan

JPMorgan

FT GUIDE TO WORLD CURRENCIES

D-MARK (Kwanza) (E Carr S) (Anstrai) 26.1612 8.6201 999.4821 38.5271 0.1797 0.3734 0.9162 37.1674 12.2466 1419.9691 54.7356 0.2553 0.5306 1.3017 1049.8898 242.6211 (CFA Fr) modian S) (CFA Fr) (adian \$) (CFA Fr)
(Canadian 5)
(Sp Peseta)
(Cas Sign Peseta)
(Ci Sign Peseta)
(Ci Sign Peseta)
(Ci Sign Peseta)
(Conlean Peseta)
(Conlean Peseta)
(Conlean Peseta)
(CFA Fr)
(Cultan Peseta)
(Cultan Peseta)
(Cultan Peseta)
(Cultan Peseta) 430.**2299** 513 2.2637 1 3126 0.8603 13.9237 1.1271 1.0384 0.8848 185.4511 170.7751 3.0632 3.7255 mi) 0.7195 0.3847 0.2231 0.3169 294,5187 6,7695 1,7245 1,7245 230,9358

This announcement appears as a matter of record only.

US\$ 60,000,000 Back-Stop Revolving Facility

Lead Manager Crédit Lyonnais

Senior Co-Lead Manager

Fokus Bank A/S

Co-Lead Managers Bergen Bank A/S Union Bank of Norway Ltd.

Co-Managers Banque Régionale d'Escompte et de Dépôts (BRED) Banque de l'Union Européenne Crédit Agricole Crédit du Nord Kyowa Bank Nederland N.V.

> Agent Crédit Lyonnais

Via Banque



November 1988

This announcement appears as a matter of record only.

US\$ 60,000,000 Euro-Commercial Paper Programme

Crédit Lyonnais

Issuing and Paying Agent Crédit Lyonnais, Luxembourg Branch

> Arranger Crédit Lyonnais

> > November 1988

African Dev. Bit. 5 96.
African Dev. Bit. 5 96.
Afrinag 5 03.
B. F. C. E. 4 2 98.
B. M. W. Fin. Neth. 5 13.
B. F. C. E. 4 2 98.
C. M. W. Fin. Neth. 5 13.
Britannia Bis. 4 1, 94.
CIR. Int. W/W 3 93.
Credit Lyomais 41, 60.
E. J. B 4 5 98.
Fletcher Chall. 4 2 98.
Kobe Cit y 4 1, 98.
Lests Perm. B/S. 4 1, 93.
Malaysia 5 1, 98.
Malaysia 6 1, 98.
Malaysia 7 1, 98.
Malaysia 8 1, 98.
Malaysia 8

ACCOUNTANCY APPOINTMENTS APPEAR EVERY

THURSDAY

VICTORIA HALL COMPANY, LIMITED

aca with the Terms and Con-

the Noose, notice is hereby given that the Rate of letterest for the period December 6, 1988 to June 6, 1989 will be 935% p.g. and the

amount payable per U.S.\$10,000 denominations will be U.S.\$47249 and per U.S.\$400,000 denominations will be U.S.\$4,726-94.

Sy: Cichenic, NA. (CSS Dept). Agent Strain

U.S.351,000,000 GUARANTEED FLOATIN BATE NOTES DUE 1992

U.S. \$100,000,000



The Export-Import Bank of Korea

Floating Rate Notes due 1995

In accordance with the provisions of the Notes, notice is hereby given that for the six months interest Period from December 6, 1988 to June 6, 1989 the Notes will carry an interest Rate of 91/2% per annum. The interest payable on the interest payment date, June 6, 1989 against Coupon No. 7 will be U.S. \$24,013.89 and U.S. \$480.28 respectively for Notes in denominations of U.S. \$500,000 and U.S. \$10,000.

By: The Chase Manhattan Bank, N.A. London, Agent Bank

December 6, 1988



BankAmerica Corporation

U.S., \$400,000,000 Floating Rate Subordinated Capital Notes Due 1997 Holders of Notes of the above issue are hereby notified that for the next Interest Sub-period from 7th December, 1988 to 9th January, 1989 the following will apply:

1 Interest Payment Date: 7th March, 1989

2. Rate of Interest for Sub-period:

3. Interest Amount payable US \$435.42

for Sub-period: 4. Accumulated Interest Amount payable:

per US\$ 50,000 nominal US \$435.42

per US\$ 50,000 nominal Next Interest Sub-period will be from 9th January, 1989 to 9th February, 1989.

Agent Bank Bank of America International Limited

CAPITAL MARKETS

Dealers' attention turns to league-table ranking

PRE-CHRISTMAS torpor is rapidly descending on the Eurobond markets, although a handful of new issues emerged. Aside from the primary mar-

kets, attention has now focused on the all-important league tables which rank firms according to the volume of Eurobonds they underwrite

each year.

According to one compiler of the tables, the places of the first five firms is not in doubt. But the figures show there are only \$660m in new issues between the 13th and the sixth ranked firms as of last Friday, suggesting that competition this year is very tight. In the case of the eighth and

seventh ranked firms, J.P. Morgan and Banque Paribas, less than \$1m divided the two.

Certainly, a new sobriety has over taken the Eurobond markets in the past year - far fewer issues are deemed to be mispriced or distributed badly. But that does not mean firms have absudoned the perennial jockeying to be seen as the

A record of leading new issues means much more than just status. Increasingly, issues are priced to be saleable only at their fees, meaning that institutions expect a discount from the issue price equal to

Under such circumstances, the only firm that can expect

INTERNATIONAL BONDS

manager, which typically helps itself to a praccipuum - a fee off the top of other co-managers' fees. If a firm is limited to the role of co-manager, it can hope for little from the new issue business except for trad-

But the new issue business, while slow, is not dormant. Yesterday, IBJ Finance, a sub-sidiary of Industrial Bank of Japan, issued a \$200m fouryear Eurobond via its London-based securities subsidiary. leading figure in a highly technical and competitive The bonds, carrying a coupon

of 9% per cent, were priced at 101.45 to yield 41 basis points over Treasuries. Funds were believed to be swapped into floating-rate dollars, achieving funds some 15 to 20 basis points under London interbank offered rates. Also in the primary market

bond for City of Copenhagen, lead managed by Deutsche Bank Capital Markets. The entire sector has benefited recently from investor's dis-taste for US dollars, rising nearly a half-point on one day Dealers characterised the issue as somewhat tight, saying that the spread, estimated by them as 40 basis points over

was a C\$65m five-year Euro-

governments, should have been slightly higher. But Deutsche Bank said it calculated the yield at 45 basis points over governments and said it had pre-placed a good part of the issue with institutional investors. The placement and the securities' AA+/ AA-1 credit rating should work

to overcome any investor con-

Sall Care CLICT NA

F. 457 (**

30 (r.)

。 「我們」開考書科是漢字

1000

NEW INTERNATIONAL BOND ISSUES									
Borrower US DOLLARS	Amount m.	Coupon %	Price	Makerity	Fees	Book ranner			
IBJ Finance Co.♦ Nippon Stainless Steel\$	200 100	95 ₈ (43 ₄)	101.45 100	1993 1992		iBJ Int. Yamaichi int.			
Final terms fixed on: Sumitomo Rubber Ind.(a) ••	100	412	100	1992	24/12	Dalwa Europe			
CANADIAN DOLLARS City of Copenhagen	65	1034	10112	1994	134/5	Deutsche Bk.Cap.Mkts			
D-MARKS IKB International, S.A.	75	5 ¹ 2	99.75	1994	n/a	IKB			
LUXEMBOURG FRANCS CECA" •	300	7	10038	1990	n/a	BGL			
YEN Kop∳	5bn	0	84,125	1993	114/12	Mitsui Trust			
PESETAS IFC(b) ♦	10bn	114	89 %	1994	n/a	J.P.Morgan			

With equity warrants. ◆ Final terms. ** Private placement. (a)Coupon cut by ¼. (b)Matador bond

FT INTERNATIONAL BOND SERVICE Change as Change as Week Yield 200 1931; 935; -05; -04; 9.99 150 1955; 934; -0.60; 10.48 150 93 93; -0.5; -0.5; -0.5; 9.84 200 150 92; 923; -0.60; 9.60 150 92; 923; -0.60; 9.60 150 195; 95; -2.10.17 160 196; 95; -2.10.17 160 196; 95; -0.10; 10.14 300 98; 98; -0.10; -0.1; 9.59 150 98; 99; -0.1; -0.1; 9.59 150 98; 99; -0.1; -0.1; 9.59 200 99; 100; -1.1; 11; 11; 1.96 Elec. De Franci treland 51, 93. Credit National 7-1 92 Credit National 7-1 92 Dai-Ichi Kan 9-5 92 Denmark 7-1 92 E.E.C. 7-91 E.E.C. 7-93

Abbey Nat. BS. 10% 95 E.
Als BE. Ned. 5% 92 FT.
Als BE. Ned. 5% 92 FT.
Als BE. Ned. 5% 93 FT.
Aniv Bank 6% 92 FT.
Barciays Ass. 15% 91 AS.
BP Capital 9% 93 E.
British Airways 10 98 E.
Bahrumane-Tel. 6% 93 FT.
Comp. Cr. Raho. 6% 93 FT.
Comp. Cr. Raho. 6% 93 FT.
Comp. Cr. Raho. 6% 93 FT.
Denmark 7% 92 ECU.
Dixons 11 95 E.
Denmark 7% 92 ECU.
Dixons 11 95 E.
Eastman Kodak 13 90 AS.
E.LE. 79 61 EFF.
Elec. Franct 10% 95 CS.
Euratom 7% 97 ECU.
Fed. Bis. Dv. BE. 9% 92 CS.
Ford Cr. Can. 10% 93 CS.
Gillette Can. 9% 93 E.
G. M. A. C. Ans. Fin. 14 90 AS.
Hallfazz BS 10% 97 E.
Inv. Industry Int. 10 93 E.
Licyds Bank 10% 98 E.
Montreal Tst. 10% 93 CS.
Nat. West. Bx. 13% 93 CS.
New Zealand 7% 93 ECU.
Gesters. KUht. 13% 94 AS.
Plulings Glowi. 6 93 FT.
Prudential Fin. 9% 07 E.
Royal Bk. Scot. 10% 93 S.
Sastatchewan 10% 93 S.
Sastatchewan 10% 93 S.
S. O.R. 7% 95 ECU.
World Bank 5% 92 FT.
World Bank 13% 92 AS.
Zentrspk. 13% 93 AS.
PLOATING RATE STRAGENTS
Asian Dev. Bk. 6 94.
Avis Fin. SVS 5 7, 92.
Bank of Tokyo 5 3, 93.
Cestral Bk. Tarkey 7 92.
Consumerabilities (al. 5 5 1, 93.
Degussa fet. 6 1, 97.
E.I. B 5 1, 98.
E.I. B 6 97.
I.I. B, 6 1

Zentrspk. 134, 93 AS.

PLOATING RATE
MOTES
Alliance d. Leic. Bid 94 £
Beiglum 91. US.
Britannia 5 93 £
Chase Manhattan Crp. 91 US.
Citloory 88 US.
Credit Foncier 98 US.
EEC. 3 92 D M.
Hallfax BS 94 S.
Lecis Perm. B/S. 94 £
Midland Bank 01 £
MIR Mait. Brd. 5 93 £
New Zealand 5 07 £
New Zealand 5 07 £
New Zealand 5 07 US.
State Bk. Now. 98 US.
Woolwich 5 95 £
Woolwich 5 95 £
Woolwich 5 95 £
Woolwich 5 95 £ | Car. | CONTVERTIBLE
BONDS
Alcos 6 14 02 US
Amer. Brands 714 02 US
Amer. Brands 714 02 US
Aschizaga Banis 2 14 02 US
Brands 3 99 US
MILLOS 5 14 02 US
MILLOS 5 14 02 US
MILLOS 6 14 02 US
MILLOS 6 14 03 E
MISSU BRANDS 12 02 US
MISSU BRANDS 12 02 US
MISSU BRANDS 12 02 US
MISSU BRANDS 14 03 US
Rest PLC 5 14 03 E
MISSU BRANDS 14 03 US
Rest PLC 5 14 03 US
Rest PLC 6 14 03 US
R

ght Bonds: The yield is the yield to redemption of the mid-i amount issued is in millions of correcty units except fo dis where it is in billions. Change on week — Change over p it rapiler.

coupon, other benominated in dollars unless otherwise indicate the dollars unless otherwise indicate Chg. day—Change on day. One date — First date of conversion is shares. Car., price — Norsinal amount of bond per share express recurrency of share at conversion rate fixed at issue. Prem — Perce aga presultant of the converseffective price of acquiring shares via thoughout the most recent price of the shares.

The Financial Times Ltd., 1988. Reproduction in whole or in part in any form not permitted without written consent. Data supplied by DATASTREAM international.

The priots over the past werk were supplied by Kredietbank N.V.; Commercianik A.E.; Deutsche Bank A.E.; Westdeutsche Landesbank Girozentrale; Bank Generale du Luxembourg: Algebrane Bank Nederland NV;Pierson, Nederlang & Pierson; Credit Sulsse Benk; Bank of Tolgo International; Chemical Bank international;

EMBER 6 1988

the prime production of the prime production in the prime production in the prime production in the prime production in the prime pr

IP Warren

died Nater in Both has being US dollars to be a cystacieras in STREET STREET

to the second and the iq the storme, we BOTH TOTAL SPECIAL POR DOME BOY TANK

And the second of the second o

Brussche Baldap.Mrg.

4 15 642 2201 20mg

to stronger than expected employment figures in November, and by midsession were registering small gains.

Short-dated maturities were quoted around is point higher and long-dated issues were up by as much as 4 point. The Treasury's benchmark long bond stood % point higher for a yield of 9.13 per cent.

GOVERNMENT BONDS

US TREASURY bonds

stabilised yesterday, after Fri-

day's sharp losses in response

There are no important economic indicators due for release this week and all market talk centres on the inten-tions of the US Federal Reserve and whether the central bank will match the recent sharp rise in short-term money market interest rates with an increase in the discount rate from 6.5 per cent.

There is a consensus that the Fed has already begun to tolerate a higher Fed funds rate, which has gradually drifted over the last two or three weeks from 8% per cent to 8% per cent and above per cent and above. Some analysis believe the Fed is tolerating a Fed funds rate as high as 8% per cent. The funds traded at 8% per cent

at midsession.

The modest gains in the bond market have to be seen inthe context of Friday's sharp. falls. Gains were to be expected.
after those sharp fall but were
limited by anticipation of a discount rate rise, perhaps before the meeting of the Federal Open Market Committee on December 14, and also by the latest purchasing managers' report, which showed no let-up

NatWest to buy

NATIONAL Westminster Bank

is expected to announce the acquisition today of Sallier SA, the Paris-based stockbroking

Sellier ranks among the top

15 French stockbrokers, with seats on both the Paris and

Lyons stock exchanges.
The acquisition, which fits

into NatWest's strategy of

expanding its European invest-ment banking activities, is the

latest of a series made by for-eign institutions since the lib-

eralisation of the Paris Stock

Exchange last year.

French broker

By David Lascelles

BENCHMARK GOVERNMENT BONDS Week Ago +8/32 11.00 11.02 +4/32 10.21 10.24 +2/32 8.26 8.20

Treasuries recover from falls

INTERNATIONAL CAPITAL MARKETS

96-10 +8/92 9.14 9.20 98-18 +10/32 9.14 9.21 6.750 8/98 101,8750 -0.100 6.51 6.36 10/93 97.7483 -0.038 8.57 8.55 8.40 5/98 104.4000 -0.225 8.78 8.73 8.70 10.250 12/96 100,7500 - 10.13 10.15 9.89 CANADA' NETNERLANDS 6.7500 10/96 101.7300 -0.120 6.58 6.52 6.36 AUSTRALIA 12.500 1/96 99.6516 0.026 12.52 12.52 11.92

in economic growth.

By Janet Bush in New York and Stephen Fidler and Norma Cohen in London

THE UK government bond THE UK government norm market posted modest gains of % point or more — with the largest rises in shorter maturities — as the market was supported in lacklustre trading by

the strength of sterling.
Nevertheless, as some traders pointed out, a strong currency is by no means an unanternal property. biguous benefit to the market.

Any Bank of England intervention to depress the currency, such as that reported yesterday, requires "sterilisa-tion" to offset its impact on the money supply. This reduces the need for the Bank to buy in stock to cover the budget sur-

Although they had little effect on prices, two sets of fig-

The question of the next benchmark is still at issue, although if the market holds current levels or goes better the case strengthens for the replacement of the No. 105 (carrying a 5 per cent coupon) with the No. 111 (with a 4.6 per cent coupon). The two issues are currently trading with a 9 basis point differential.

ALL OVER Europe, but particularly in Germany and Switzerland, investors were said to be in retreat ahead of the year

In lethargic trading in West Germany, prices dropped by between ¼ and ¼ point.

NEW ZEALAND government bonds slipped slightly, shrug-ging off a ½ point rise in the - did not offer investors much prime lending rate, to 16.25 per cent, by two of the largest com-

mercial banks.

The rise in the prime rate is the first formal reversal of the downward trend in the rate which began last year, from a level of 21 per cent.

The prime rate rise mirrors a I percentage point rise in wholesale market rates over the past month, which took the benchmark 10 per cent bonds due 1993 to a yield of 14 per cent. In addition, the key 90day bill rate, a money market rate, has been rising steadily over the same period, to 14.65 per cent yesterday, from 14.15 per cent a month ago.

Norway acts on currency loans

ures - showing a 2 per cent rise in final retail sales in Octo-

ber and a rise of £3.45bn in consumer credit in the month

THE JAPANESE government bond market showed resistance

to further gains as the yield on the benchmark No. 105 bond failed to breach the 4.5 per cent

Expectations of a discount rate rise and worries yesterday

about the health of Emperor Hirohito, which deteriorated over the weekend, limited

gains. Trading in London was

Some houses were advising

overseas investors to buy in

the cash market, which is cur-

rently cheaper than the futures

level convincingly.

NORWAY announced yesterday the details of a mod-

est liberalisation of credit mar-ket policy.

For about 10 per cent of its limited companies (excluding financial institutions and insurance companies) it has abolished the requirement for a central bank licence for foreign currency loans, in an attempt to give those companies more accessible long-term capital with better terms.
Until yesterday, foreign curleast 30 to 40 per cent in foreign currency. Licences were granted on a case-by-case

To qualify under the new policy, companies must have a minimum share capital of NKr500,000 (\$77,300) and must have published an annual report as recently as 1987.

The market welcomed the

Government's gesture but analysts said it stopped short of providing a solution to companies' inability to raise fresh capital, in that so few qualify to tap the international capital rency loans were available from the central bank for companies whose income was at

However, Finance Ministry and central bank officials said yesterday there was scope for including more companies and for qualifying more banks to undertake such transactions.

Currently nine banks can give foreign currency loans. bank officials suggested that the share capi-tal requirement could also be reduced to NKr300,000 after a w months. One reason for the NKr500,000 requirement was to exclude private consumers and to see how the new policy would work before completiz

Matra and Hachette in perpetual note issues

By Our Financial Staff

MATRA, the French arms-to-electronics group, and Hachette, the French publishing house, are to issue \$250m and \$200m respectively of pri-vately placed subordinated perpetual notes.

Mr Jean-Luc Lagardère, chairman of both companies. which are controlled by his MMB holding company, told a shareholders' meeting yesterday that the perpetual notes would be repackaged into 15-year notes, paying London interbank offered rate (Libor) plus 110 basis points. The funds raised would be considered capital rather than debt.

Morgan Stanley, the bank arranging the issues, said in London it was considering a similar issue for a Spanish borrower and was studying the applicability of the concept other countries. Other French industrial

groups have recently launched imilar issues. They include the state sector companies Rhône-Poulenc and Compagnie des Machines Bull, where part of the sum raised was invested in zero-coupon US Treasury bonds. On maturity these ensure the repayment of the 15-year notes.

The Matra and Hachette issues are the first to be made for private sector groups.

Mr Lagardère said nearly all
the issue had been placed with Japanese institutional inves-

A Morgan Stanley official said some Europeans had also shown interest in the iss The line-up of investors would be finalised by the end of this week, but the exact amount to be invested in zero-coupon bonds had not yet been deter-mined, he added.

Correction

Next Eurobond

A £100m convertible Eurobond launched in the summer of 1987 for Next, the UK retailing group, was lead managed by Salomon Brothers, not as stated in yesterday's Interna-tional Bonds column. Credit Suisse First Boston has never lead-managed a convertible for

Have your F.T. hand delivered . . .

. . . at no extra charge, if you work in the business centres of

HELSINKI & ESPOO



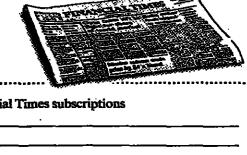
And ask for details.

FINANCIAL TIMES

12 issues free when you first subscribe to the **Financial Times**

When you take out your first subscription to the FT, we'll send you 12 issues free. For further information and details of subscription rates, complete the coupon and return it to:

Wilf Brüssel Financial Times (Europe) Ltd. Guiollettstrasse 54 D-6000 Frankfurt am Main 1 West Germany



'el: (069) 7598-101	
lease send me details about Fina	
ame	<u> </u>
itle	
ompany	
.ddress	
	
	
el <u> </u>	
F	INANCIAL TIMES

LONDON MARKET STATISTICS

RISES AND FALLS YESTERDAY

These indices are the joint compilation of the Financial Times, the institute of Actuaries and the Paculty of Actuaries

FT-ACTUARIES SHARE INDICES

-	Dept. I disp. 0							2	1	30	(Stations)
	& SUB-SECTIONS Figures in parentheses show number of stocks per section		Day's Change %	Est. Earnings Yield'% (Max.)	Gress Div. Yield% (Act at (25%)	Est. P/E Ratio (Net)	nd adj. 1988 to date	index ijo.	ladex No.	ladex No.	ladex tio.
1	CAPITAL GOODS (209)	765.57	-0.3	11.44	4.46	28.60	24.06	767.53	777.88	786.47	648.81
2	Building Materials (28)	933.66	-4.5	13.54	4.84	9.10	29.21	937.84	954.75	972.39	811.26 1199.65
. 3	Contracting, Construction (39)	1437.20	-44	23.48	4.21	9.59	46.84	1449.22		1498.66	
4	Electricals (11)	2319.48	-14	9.30	4.87	12.99	76.55	2319.37	2348.60	2353.78	
5		1693.82	-8.7	19.76	3.74	12.84	43.59 13.59	1765.41	1721_89 409.27	1719.89 414.57	324.21
-6		484,87	+8.4	11.39 18.89	4.52	10.81 11.37	13.69	48.42 457.85	471.38	483.53	389.68
	Metals and Metal Forming (7)	454,77 264,04	+0.4	12.75	5.07	9.86	9.80	265.81		271.78	
.9	Motors (1.6)	1366.74	10.2	19.23	473	11.53	44.22	1298.74			1127.98
10		1015.53	-85	18.04	4.82	12.45	27.98	1821.12		1039.87	945.23
21		1121.31	44	11.01	3.73	11.38	24.78	1126.21	1130.97	1134.58	912.78
22	Brewers and Distillers (21)	212.25	-66	3.74	4.15	12.9	26.17	923.17	924.85		
25	Food Manufacturing (21)	711.81	-13	18.83	3.57	13.12	44.95	1793.99		1824.33	
26	Food Retailing (16)	7123 63	-42	7.52	2.85	15.14	40.49	1788.95		2778.64	
Z7	Health and Household (12)	7257 00	-85		3.81	14.55	35.06	1358,97	1365.66	1376.98	
29	Leisure (31)	E22 44	+8.2	11.72	431	11.44	16.19	522.54	521.99	535.39	446.31
31	Packaging & Paper (17)	3245.86	1 1942	9.26	16	13.47	186.59	326551		3345.66	2943.15
32			-1.8	12.46	5.03	19.55	23.22	688.28	693.71	718.67	770.92
34	Stores (34)	440 50	-4.4	15.44	6.23	7.76	18.17	451.33	468.39	479.46	
35	Textiles (16)	881.87	-42	11.44	4.69	14.45	24.69	281.64	897.18	295.68	764.89
40	OTHER GROUPS (92)	2005 99	-11	241	271	14.62	26,98	1925.73		1837.78	MALSA
41	(Actoriciae (19)	22.44	-02	12.74	524	9.42	41.34	1901.60		1004.58	954.07
42	Chemicals (22)	1239.94	1	18.85	4.63	18.56	25.24	1249.83		1245.51	1031.25
_ 43		1857.59	-15	12.65	5.07	19.25	62.48	1240.03		1893.79	
45	Shipping and Transport (12) Telephone Networks (2)	997 24	+6.2	11.85	4.74	19,97	20.38	989.27	997.15	998.75	
47	Telepagne Networks 12/	1147.53	-1.0	12.40	4,78	9.78	49.53	1152.86		1186.22	
_48				10.95	4.32	11.33	26.67	931.32	939,88	948.75	824.89
_49	INDUSTRIAL GROUP (488)	927.84	-9.4								
531	OIJ & 625 (12)	1694.37	+8.4	16.92	6.60	11.72	76.82		1701.67		
59	500 SHARE INDEX (500)	992.99	-0.3	18.94	4.63	11.58	30.89	995,71	1994.68	1013.38	886.63
61	FINANCIAL GROUP (124)	676.32	7		5.27	- 7	25.49	677.63	683.57	689.53	573.37
57	Banks (8)	666.65	-45	21.26	6.51	6.31	31.13	669.85	674.51	681.51	591.16
02	Insurance (Life) (8)	916.47	18.3) —)	5.29	- !	39.81	913.76	921.48	926,84	843.77
65	Insurance (Composite) (7)	498.E1	10.1	· - i	6.27	. - i	24.64	498,47	503.98	506.20	457.A3
47	terromen (Rreleart) (7)	000.77		9.45	7.25	12.69	46.87	889.37	983.21	911.11	759.54
60	Marriage Ranks (11)	317.15	-0.7	-	4.73		10.15	319.25	321.95	326.10	318.41
40	Democraty (62)	11400.00	 	5.56	2.78	22.98	21.81			1293.61	151.95
77	Other Financial (31)	352.98	-4.5	9.97	5,59	12.53	34.72	354.65	356.93	358.40	347.49
	Investment Trusts (76)	982.88	-9.6		3.35		19.78	998.15	913.65	919.60	742.87
71	Mining Finance (2)		+0.3	11,65	3.78	19.50	15.67	552,68	568.58	560.58	401.59
했	Overseas Traders (8)	1315.58	-1.7	8,92	4.41	13.86	44.92	1338.22	2352.02	1361.95	873.71
77.	ALL-SHARE INDEX (710)	914.84	-8.3		4.68		29.10	917.38	125.65	933.45	883.05
99	ALL-SHAKE INDEA (/ 19/			Burk			Dec	Nor	Nov	Nov	Year
		Index	Day's	Day's	Day's	Dec 2	1	30	29	28	
- (Change	開新台							200
		1741 4	-34	1767.9	1703	1765.B	. 177 2. j	1 17924	1786.9	i 1781.5	1598.4

	•	•									
_	FIXED INTEREST							AYERAGE GROSS REDEMPTION YIELDS	Mon Dec 5	Fri Dec 2	Year ago (approx.)
_	PRECE INDECES	Mon Dec 5	Day's change %	Fri Dec 2	xd adj. today	xd ad). 1988 to date		Brillish Consument Low 5 years Completes 15 years	10.48 9.55 9.09	10.43 9.56 9.89	8.51 9.42 9.26
1 2 3	5-15 years Over 15 years	118.17 134.64 146.39 169.40	+0.16 +8.12 -0.13	118.47 134.43 146.22 169.62		11.64 13.10 13.62	6 7 8 9	Medium 5 jears. Coupons 15 years. 25 years. High 5 years. Coupons 15 years. 25 years. Irredecarables.	18.80 9.76 9.29 10.95 9.89 9.33 8.94	10.82 9.78 9.30 10.97 9.91 9.33 8.93	9.14 9.61 9.51 9.22 9.75 9.55 8.98
 6 7	All stocks Index-Linked 5 years Over 5 years	132.08 130.40 128.08	+0.11 +0.29	132.05 130.25 127.71 127.79	-	1.81 2.96 2.85	12 13 14	Index-Linked Inflation rate 5% 5yrs. Inflation rate 5% Over 5 yrs. Inflation rate 10% 5yrs. Inflation rate 10% Over 5 yrs.	3.46 3.68 2.29 3.52	3.50 3.70 2.33 3.53	2.53 3.73 2.85 3.79
_	All stocks	128. 9 5 116.94		116.92	 	11.28	15	Debs & 5 years Leans 15 years 25 years	11.29 11.08 19.86	11.48 11.48 19.83	19.58 10.56 10.5 <u>6</u>
10	7	86.33	-8.21	86:51	-	6.31 749.4.1	l	Preference	10.37 10.37	10.33 3: 4.05 pm	10.57 1760 3

Planta Mines			*********				22 50 40		3 27 117			113
Others						40 508		117	_	,	92 258	
1440 arreart-Larrortte									4202		•	
				IDO	N RE	CENT	155	SLI		_		_
EQU	ITIE											-
hane Print	Park Total) Hei	ies	9 ad		Closing Pritz	+#	脏	These Cor's	Gross Yield	P.E. Rath
520				2	uralganeti Apolio Wa	ed Fig. Wirrets Ech Prods. 30	5	-l ₂	10.45	3.0	24	16.8
88 · 58 • 58 • 1	P.P.P.		26) 77 200 77 199 195 195 195 195 195 195 195 195 195 195	25	SADORO Watch Prote. 3 STE Warrants. SBletchkey Motor 20p. Strikk Steel 50p. Section of the Sand Steel Demonstrates in Sand Steel Section 20p. Section of the Sand Steel Section of the Sand Steel Sectio		1000 100 100 100 100 100 100 100 100 10		R7.5 R7.5 R2.1		5.4 7.0	7.4
			. 15 15	154	Charnel Ex	press 10p	78 154	. 1	12.1 14.75	37543	5.4 7.9 3.6 4.1 4.3	75公司5
		(1 15	1 ,	EW Fact 5 Ediaborgh) Liberalia 2p		3	15.8 15.8	23	43 53	8.7
EED .			. 3	1 13	Hasgon has Kromagrap	Trust Wornes	15	#1		-7	<u>:</u> ا	:
<u>500</u>			100	1 19	Do. 5p Do. Warrar	15	36 4	+2	F5.0	:		:
- 1888 1888 1888 1888 1888 1888 1888 188	語	871	4		Zalston Ime NAC Groot	24 45	1-2	F6.0 11.5 82.1	34 32	84 31 30 54	냃	
1	10p		#	1 13	93 SMAC Group			-1	12.6	3.2	54	6.3
Price	P		Respond Caste	High	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	AMET N=42	\$20d		PI SO	ļ.	rice E	+ 34
100p 100p 100.3	, <u>E</u>	9,9,9,9,9,9,9	-	950 10040 1004 1004 9949 10047 2549 2549 1159	99120	Artington Sec. 9 Blackwood Hod	Pipe City ge Spe Ci	. Rd. Pl	2008	?		-5
\$100; 100.5	;	į	:	39375 3975	91-10 94-10 193-10 96-10	Church (C) Dev. Calerol! Srp 9e	9.375pc	C= N	PF 01 5 10p]	99p 99p	+2
	ء ا ا	影	300	雜	228p 30 109h	Grand Met. 5.7 Land Securities Lights Chem 7	sp¢ Cr. U 10pc 1st 5a (Ner)	ns. Lo. Mitg. C Con Rei	1989 History M 50		깵	-1
97.3 100p 100p 1100		<u> </u>	=	1 72%	900 995	Mecca Leisure (Welde Auglia)	rp. 7 <i>2</i> 5 21 pc 4.	12.89	20p		995 910	+ì
100s 100s 100s		300,000,000,000	20/1	900 1079 994 1049 1219	※	EGnarto esta lac Egnarto esta lac	.8 kpc (Net) (ii 208	to Pi] ;	7	4
100p	,	ř.	-	104p 121p	109p	AMIEC New 6-2 Arilogion Sec. 4 Bitacivanod Hod British Sugar III Church CD Dev. Existenti Sep 96 Eramil Med. 5. 7. Land Securities Legist Chem. 7. Microa Leisane 6. Water Anglia 1 Parishidi Gry 18 Grand Dev. 10 Williams Hidge 1 Williams Hidge 1 Wilyenale Gardin	ep (Het) en Cutes.	ÇT RM I 8.5pc C	# Pf] :	215	
RIGHTS OFFERS												
ويون		cunt	Latest		85					Cles		+ 07
Price p			Record. Date	High	Low		Stock			Pri	·	•
10 155	łi		- :	2000 3000 1200 8000 2000 8000 2000 2100 2100 2	11-pm 6pm 110-pm 21-pm 14-pm 65-pm 30-pm 5-pm 21-pm	'Amercuear Ene Britannia Sec G	oup Kip					4
55 90			=	1200 800	213 pm	"Amercuen" Ese Britannia Sec G Electronic Maci Goal Petroleum Historia interna A ISS Sherrical	1000 Sp Sp Uveal			J 55		1 1
155 5 15 15 15 15 15 15 15 15 15 15 15 1		81 1	=	80pm 80pm	65pm 30mm	AUSB Electrical Paullion Leigne	200			X		
314		= 1	1	- #F		in t Carre	16.				احت	4
污			- [28pm 101-pm	27-186 190	Parilion Leisare Quadrant Group 1 Rathers Group 1 2SeteeTV 1p) op				pn	4

-	的多男孩是没好?	宝宝宝宝宝宝		12pm 8pm 20pm 80pm 80pm 21pp 28pm 101-pm		Electronic Ma Soal Petrolea Michan Internal AUSB Electric Paulion Leist Chadrant Group Schelly 1p.	ational al 20p rt 10p p 10p		10pm 51gan 20pm 70pm 30pm 6pm 6pm 5pm	444 444-7
	cover based Foresast, o dividend cov estimates for accounties of	on divident restaudate er and pilo r 1988.hi Svidend en Offeren to	d on fail a d zincelis hased on Dividend a ner and plo bolders of	apitasi.g Ass ed dividend lakes: and nd yield has e ratio base of ordinary uksetion men	pume) philo rate, com purpling pilot prospo disc prospo stares as purpling as	lend and yield. or based on pro s.M. Divident ; rectus or other sins or other or a "rights".f (r over J. Aliabate	pident rate pa 5 Divident and cricus year's 6 and yield based official estimat Ficial estimate firotection SPP st pricus Usili	yleid pacinde: arnings.l. Est l on Prospectu les for 1989. (s. W Pro Forn action orice ti	special pays frusted ass 5 or other (Q Gross, R F ma figures, () Aniormotic	uzik dilici orez I bis cilos

TRA	DITION	AL OPTIONS
First Dealings Last Dealings Last Declarations	Dec 54 Dec 16	Res, Mowat Grp, Seers triz, BSR Int, Victors, Str gate, Davy Corp, Yo

TRADITIO	NAL OPTIONS
	20 Barratt Dev, FKI, Br Steel, McAl-

Travelling on **Business in Germany?**

Enjoy reading your complimentary copy of the Financial Times when you're staying . . .

. . . in Frankfurt at the

Arabella Hotel, Crest Hotel, Frankfurter Hof, Hotel Hessicher Hof, Holiday Inn City Tower, Hotel Inter-Continental

. . . in München at the Arabella Hotel, Arabella Westpark Hotel, Crest Hotel, Hilton Hotel

International, Vier Jahreszeiten Kempinski, Grand Hotel Continental . in **Hamburg** at the Crest Hotel, Atlantic Hotel Kempinski, Ramada Renaissance, CP Hamburg

Holiday Inn, Hotel Intercontinental, Hotel Nikko, Ramada Renaissance, Steigenberger Parkhotel .. in Stuttgart at the

in Düsseldorf at the

Môvenpick Airport Hotel . . . in Heidelberg at the Hotel Hirschgasse, Hotel Penta

Crest Hotel, Holiday Inn Airport Hotel, Best Western Regent

. . . in Friedrichsdorf at the

Crest Hotel . in Augsburg at the Holiday Inn

in Sindelfingen at the Holiday Inn . in Bonn at the

Schloßpark Hotel .. in Berlin at the

Bristol Hotel Kempinski, Hotel Savoy, Hotel Schweizerhof

. . in Neu Isenburg at the Hotel Gravenbruch Kempinski

. . in Mainz at the Hilton International

UK COMPANY NEWS

Norcros advances 18% to £29.1m

By Clay Harris

NORCROS, the industrial manufacturing group, yester-day unveiled a 42 per cent fall in first-half operating profits at the UBM builders' merchant subsidiary it sold last week to Meyer International, the largest UK company in the sector. The decline to £3.44m (£5.98m) at UBM held Norcros to an 18.3 per cent rise in profits to £29.1m (£24.6m) for the six months to September 30. Group turnover crept ahead by 2.4 per cent to £334.8m (£327m).

Norcros shares closed 11p lower at 309p.

Mr Michael Doherty, chief executive, said UBM's poor results reflected the costs of expansion and re-organisation as well as comparison with a previous period which included

a large overseas contract, Norcros repeated its conten-tion that the exchange of UBM for Meyer's Crosby door and window businesses and £54m in cash would not cut earnings and would remove the conflict of interest between manufacturing and distribution.

In the first half, the building products division, which

Crosby will join, made the most progress of any Norcros manufacturing activity with a 78.6 per cent operating advance to \$6.43m (\$3.6m), although the property contribution nearly doubled to \$8.65m (\$4.34m). Ceramics, centred on the H&R Johnson tiles group, moved shead 23.5 per cent to £8.51m (£6.89m), including a profit of nearly £1m on the disposal of an Australian factory. Print and packaging slipped 1.4 per cent to £6.3m (£6.39m), as the result of adverse

Beaverco §int Brown & Tawasint

Dobson Park Inds..

Morris Asiaby § ...

exchange-rate movements.

On earnings per share 11.9
per cent up at 14.1p (12.6p), the interim dividend is increased 25 per cent to 5p (4p), partly to reduce disperity with the final.

Reaction to worse-than-expec-

O COMMENT

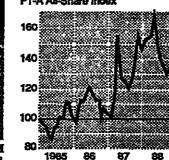
ted interim figures was not helped by a moderately bearish presentation to analysts. UBM was one thing: everyone knew of the pressure on margins from the sheds and welcomed last week's deal even without guessing the full extent of the damage. But print and packag-ing was another: the one sector which should be resistant to cyclicality as long as product development allowed a competitive lead to be maintained. Yesterday, the bad news was two-fold: the Japanese are beginning to match in some areas and a 5 per cent growth rate was deemed satisfactory.



Michael Doherty: poor UBM results reflect expansion costs

Doubts about consumer demand, and how it will be reflected in the number of bathrooms and kitchens tiled, only added to the gloom. Nor-cros will now be fortunate to achieve £70m pre-tax for the full year, putting the shares on a prospective p/e of less than 9.

Norcros Share price relative to the FT-A All-Share Index



Assuming another 1p on the final dividend, the shares stand on a prospective yield of nearly 7 per cent. If the latter figure passes the former, look out for speculative action. Otherwise, the shares are best avoided, for the underperformance against the market is not yet over.

Cautious Caradon over £15m

By David Waller

CONTINUED STRONG demand in the repair, maintenance and improvement sector of the building products trade helped Caradon increase pro-tax profits by 71 per cent to £15.4m in the half year to Octo-

Mr Antony Hichens, chair-man, said he was confident of the outlook for the current financial year. But he warned that prospects for 1989 were clouded by the uncertainties

2.5 0.6 1.7 2.4 2.5

0.25

0.25

DIVIDENDS ANNOUNCED

Jen 30 Feb 15 Jen 27 Feb 6 Feb 20

Feb 6

Dividends shown pence per share net except where otherwise stated. *Equivalent after allowing for scrip issue. *On capital increased by rights and/or acquisition issues. \$USM stock. \$\footnote{\text{SEUnquoted stock.}}\text{4Third market.}\text{TUS cents.}\text{4Gross throughout.}

3.5t

1:5 3.6†

0.25‡ 1.7 5-

associated with higher interest rates; he told analysts that the company had drawn up its budgets for next year on the basis of zero volume growth across the range of its busi-

Profits growth would come from a continued programme of cost cutting and improving production efficiencies. To this end Caradon has embarked on a capital investment pro-gramme which will absorb more than £20m in the current financial year.

No divisional breakdown was given yesterday. Growth came from buoyant sales of branded products such as Twyfords bathrooms, Mira showers and Terrain plastic drainage systems. Everest, the doubleglazing company acquired from RTZ in May, made a four month contribution.

Mr. Hichens, said that a new management team was in place at Everest, and was making vigorous efforts to lop the cost se. He thought it unlikely that the full rationalisation benefits would show through until the next financial year.

Turnover rose 58 per cent to \$129.8m. Earnings per share climbed 39 per cent to 17.2p and the interim dividend is should rise to 243m in the lext. Up 4p to 322p yesterday, the shares are sitting on a multiple of 8.3 to the end of 1988, putting them on a deserved 15 per cent premium to the sector.

raised to 3.5p (2.5p).

O COMMENT

Given the building boom, yesterday's figures from Caradon should not have been anything other than impressive, and they duly were. But analysts were understandably eager to hear more about the future than the past. The prognosis is favourable: Caradon is well managed, it has negligible borrowings, it is exposed to the repair, maintenance and improvement side of the buildimprovement side of the build-ing trade - and it has the benefit of some powerful brand names like Everest and Twy-fords. As such, it should suffer less than many of its competi-tors from the inevitable contraction of business in an era of high interest rates. The fall-off in sales growth should be more than countered - in prof-its terms, that is - from the cost reductions and efficiencies to be squeezed out of all the businesses, and particularly out of Everest. After £34m pretax in the current year, profits should rise to £43m in the next.

Hammerson | STC launches agreed \$168m has lost its offer for Computer Consoles

By Hugo Dixon

STC, information technology group, yesterday made an agreed \$168m (290m) bid for Computer Consoles, specialist US telecommunications com-

The acquisition is intended to form a major part of STC's strategy for telecommunications markets in the 1990s and

STC is bidding \$12.8 a share. Computer Consoles has granted STC an option to purchase 15 per cent of its author-ised but unissued shares as well as a 12 per cent block held by the management and direc-

Computer Consoles achieved pre-tax profits of \$12.2m and earnings per share of \$0.86 in 1987. In the first nine months of this year it made pre-tax profits of \$11.2m. Net assets are approximately \$43m.

The US group's speciality is in the design of software and systems for what are known as "intelligent networks" - expected to become an increasingly important feature of the tele-communications scene from the middle of the next

STC is already gearing itself up to address this market in association with its minority shareholder, Northern Telecom of Canada. An intelligent network will

be able to provide customers with a range of sophisticated services, which it is impracti-cal to offer even on the advanced digital exchanges that telecommunications operators around the world are now installing. The concept is to provide these services from a central location, taking much of the intelligence from the

exchanges to a central com-

STC's strategy of targeting intelligent networks as one of its main telecommunications priorities for the future contrasts with the strategy behind the recent GEC-Siemens bid for Plessey. One of the main rationale's for this bid is to rationalise the digital exchange mar-ket, an area STC is no longer

involved in. Mr Peter Gershon, managing director of STC Telecoms, said the proposed acquisition would give STC a route into the US. Computer Consoles has sold \$400m worth of computerised directory enquiry systems and other related products which pave the way for intelligent networks to large US telecoms operators such as AT&T, MCI and Nynex - "a list of names we have not sold to."

yesterday. "Since then, during a period of buoyant growth in the UK property sector, Hammerson has lost its way and has failed to take full and profitable advantage of an active market," maintained the docu-NFC for market in January

vesterday.

way, says

Rodamco

RODAMCO, the Nether-

lands-based property invest-ment company which is mak-ing a £1.3bn bid for Hammer-

son, Britain's third largest

property group, yesterday accused its target of lacklustre

growth over the four years to the end of 1987.

It also charged Hammerson with missing opportunities for profitable property manage-ment on the international front and of falling to manage

adequately its currency expo-

Hammerson had a deserved

reputation for successful prop-

erty investment and develop-ment," said the bidder in its formal offer document, posted

The document went on to

point out that, on the key question of the Hammerson property valuation, the com-

pany's own broker recently forecast that net asset value by December 1988 would be

850p a share.
The forecast, it added, was

before deduction for contigent tax liabilities and was made

However, the offer document brought a sharp response from

Hammerson which said that it

added nothing, and that the board considered the bid an

irrelevant interference with

Hammerson's normal business

"Rodamco has hopelessly misjudged the value of our properties," said Mr Sydney Mason, the chairman of Hammerson, adding, "it should withdraw its offer and look

The "A" shares closed at 899p, against a offer price of 780p.

minutares Herricialis

he Bank of Tokyo Ltd.

dit du Nord London Branch

on October 21.

"Until some five years ago,

By Nikki Tait

By Kevin Brown, Transport Correspondent

NATIONAL FREIGHT Consortium, the employee-owned distribution and property group, will come to the market via an introduction at the end of January, Sir Peter Thompson, chairman, said yesterder

NFC has been preparing for a listing since August when it reached agreement with the Stock Exchange on a share structure giving employee-shareholders a double vote in the event of a hostile takeover

The deal allows NFC to place a single special share in its employee share trust, which would be voted in proportion to the number of shares held

by employees. This provision, which was conceded by the Stock Exchange because of the "unique nature" of NFC, is believed to be unpopular with some institutions, although the plans for a listing have been generally well received.

In the market, Hammerson shares remained well above the offer price — generally regarded by analysts as a sighting shot, ahead of any full revaluation by Hammer-However, Sir Peter remains fearful that an open market in the company's shares will bring to an end the successful experiment in employee owner-ship which began when the Government sold the former National Freight Corporation to a management and

employee buy-out consortium fell below 10 per cent.
Sir Peter said the company had not decided how much to

for 17m in 1983.

There are about 42,000 employee and family shareholders, who own 83 per cent of the company. The balance is held by institutions, which were invited to invest through the existing internal market in the company's shares.

Sir Peter said that the company planned to hold regional meetings throughout January to warn employee shareholders not to sell too many shares once open-market dealing

Staff would be reminded that the double voting rights repre-sented by the special share would disappear if the propor-tion of employee-owned shares seek to raise through a rights issue planned to coincide with the introduction. The Stock Exchange has given permis-sion for NFC to seek up to

£100m.
NFC has increased pre-tax profits from £11.8m in the first year after the buy-out to £47.4m last year. It has forecast pre-tax profits of about £64m

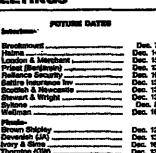
for the year to October.

The company is capitalised at £590m on the internal market. This is significantly greater than the Stock Exchange valuation of public-ly-quoted rivals such Christian Salvesen

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Extrange. Such meetings are susuely held for the purpose of considering dividends. Official lodge-tions are not available as to whether the dividends are interiors or finals and the sub-TODAY

TODAY
htterisce-Argyfl, Attirus Bros. Bogod-Pelepsis,
Booth Inds, Cape Inds, Coalite, Continuous
Stationery, Couby (J), Eguby Corsort Inv
Trust, General Electric, Harisand Simon, ITI.
Info Tech, Joseph (Leopold), Learmonth &
Burchsiz, MS Ins, Northern Foods, Read Estautive, TGI, Yellowinsmaner.
Flasse-Angita Secure Homes, Birminghem
hilms, Crodridge Pops, Leeds, Loghan, Mecca
Leisure, VPI.



This announcement appears as a matter of record only.

of John Crowber Group plc from Coloroll Group PLC

£52,000,000

Acquisition Finance

Arranger and Agent S.G. Warburg & Co. Ltd.

Lead Managers and Underwriters

S.G. Warburg & Co. Ltd. Midland Bank plc The Sumitomo Bank, Limited

Continental Illinois

Co-Lead Manager:

Bank of Ireland The Bank of Tokyo, Ltd. Deri norske Creditbank PLC The Sanwa Bank, Limited

The Mitsubishi Bank, Limited

State Bank of South Australia

The Kyowa Bank, Ltd. Daiwa Europe Bank plc This announcement appears as a matter of record only.



RED HOLDINGS PLC

£125,000,000

DMMITTED REVOLVING **CREDIT FACILITY**

Provided by

National Westminster Bank Group

Midland Bank plc

Clydesdale Bank PLC

Union Bank of Switzerland, London Branch

Société Générale, Bristol Branch

The Mitsubishi Bank, Limited

The Royal Bank of Canada

Arranger and Agent



BARCLAYS de ZOETE WEDD

EMBER 6 1988

to a rectarion.

the works at the Market of the Country of the Count

BA EOG E

ages some contract and some co

Fig. 10 seek up n

i sem m Ormice.

company a control of the company as the company as

sol mais sun Chica

thi Bank. Line

d Bank of Carry

THE TEAM ON THE MOYE,

If you are an investor, a potential investor, or an analyst, and would like a copy of our brochure, 'Taylor Woodrow: A Corporate Profile', TAYLOR WOODROW please write to Investor Relations, Taylor Woodrow plc, 345 Ruislip Road, Southall, Middlesex UB1 2QX or telephone: 01-575 4158.



By Richard Tomkins, Midlands Correspondent

£1.79m to £3.03m.

Turnover rose from £20.4m

to £24.2m with a little over half

the increase coming from acquisitions. Profits were

boosted by a £220,000 cut in the

interest charge resulting from the March rights issue.
Earnings per share, restrained by the rights, grew more modestly from 5.6p to 7p, and the dividend is set at 2.02p

(1.83p).
Leigh acknowledged yester-day that public attention and protests had caused opera-

tional difficulties during the

six months to September, but said it was countering these by

citing its professionalism and

safety record. Protestors have been particu-

larly active at the company's base in Walsall, West Mid-lands, where thousands of gal-

impending changes" in the

company's structure due to the

\$2.5bn (£1.36bn) acquisition of

LEIGH INTERESTS, waste lons of untreated waste are

collection and treatment routinely pumped into a dis-group, bucked controversy used mine shaft under the

over its toxic waste disposal terms of a long-stantung operations and increased ning permission.

Close monitoring of Leigh's

UK COMPANY NEWS

Collins attacks News Int'l over its concern for core operating profits

Given that Aran is substan- don market in autumn 1987 -

of William Collins, yesterday dismissed News International's concern, expressed in its offer document, about low staff morale and about a decline in the operating profits of Collins' core businesses as "manufac-tured", to pressurise shareholders into accepting an unjustifi-ably low price in its £294m bid for ownership.
In Collins' defence docu-

ment, posted to shareholders yesterday, he also said that achieve outstanding results in News International was using the future," it said.

ARAN ENERGY, Dublin-based

(oil independent, yesterday confirmed that it was the potential "white knight" for

Carless, another larger oil independent which is already facing an unwanted \$208m bid from Kelt Energy.

The statement from Aran

was brief, saying only that dis-cussions were taking place with a view to making a rec-ommended offer for Carless,

and that a further announce

to elaborate.

ment would be made within 48 hours. Yesterday, nobody at Aran was available or willing

Carless, meanwhile, said

only that the profile of the two

companies' exploration and production activities suggested that there could be a very good

fit on this score. Like Aran, however, it

shape of the envisaged deal.

MR IAN CHAPMAN, chairman its 41.7 per cent holding in the of William Collins, yesterday voting shares to bounce Collins holders into accepting its offer. The document dwelt upon what it called the "excellence" of Collins' core businesses in terms of investment in publishing assets, copyrights and manufacturing technology, as well as its skills in acquiring new titles and authors. "We are confident that the relationships, skills and resources we have developed will help us

Aran is potential 'white knight'

tially smaller than its target — with a market capitalisation of

number of question marks among analysts yesterday, par-ticularly since Carless has crit-icised strongly the heavy lever-age involved in the offer from

Kelt. Some questioned how fea-sible and popular an alterna-tive, and inevitably sizable,

paper issue from Aran would be.

A further problem mooted by

some sector-watchers was the level at which Carless could

A number of rumours about

the shape of the planned deal also circulated - including the

suggestion that downstream

activities would be subject to a

management buyout by Car-

less directors as part of the

recommend a deal.

Mr Chapman said he thought it was unnecessary to stress the financial arguments because it was clear from the discrepancy between the value of the offer and the trading price of the shares, that share-holders succumbing to News International's arguments would be making a mistake. News International, calling

for the departure of a signifi-cant number of key executives

it previously traded under Rule 535 – having taken over Petro-lex, a US oil company, a couple

of years earlier in a £15,8m offer. Recently, its prospects have been improved substan-

tially by several North Sea finds - now the Alba and

The comment from Kelt was

that its own offer remained the only one on the table, and that if an Aran bid did emerge, it

would probably be subject to shareholders' approval. The Kelt bid reaches its next close

on Thursday. A key 27.2 per cent of Carless belongs to Lon-

don Merchant Securities,

which has accepted the Kelt offer, but would be free to

withdraw after day 42 of the

Yesterday, Carless shares gained 3p to 120p. Aran was suspended at 57p.

Gryphon fields.

nary closed at 789p and the non-voting at 610p. News International has had the document a "muted defence", asked why it had falled to address the reasons

in recent months, and why operating profits had declined for the six months to June. The News International offer is 640p for each ordinary voting and 535p for the non-voting "A" shares. Last night the ordi

its holding of Collins' voting shares since Mr Rupert Mur-doch's unsuccessful first bid for the publisher in 1981. It speaks for less than 20 per cent of its total share capital.

GrandMet in talks with Wienerwald

By Lisa Wood Grand Metropolitan. UK drinks Grand Metropolitan, Ok drinks group, is understood to have been in talks with Wienerwald, a privately controlled chain of about 200 restaurants in West

Germany and Austria. GrandMet, owner of Berni Inns, the steakhouse chain, yesterday however declined to comment on market rumours that it was either taking an interest in or buying the chain

of restaurants. Wienerwald is one of the few large chains of restaurants on the continent. Along with other UK drinks groups, GrandMet has been actively investigating the opportunities for food retailing there.

ator, saw interim taxable prof-

Mr Stanley Lever, chairman,

● A judicial review granted Harmony Leisure more than doubled Harmony Leisure Group, USM-quoted public house oper

for the 26 weeks to September 30 up 36 per cent at £3.97m. After tax of £71,000 (£18,000) earnings per 5p share were 0.72p (0.66p). The pre-tax figure included net interest received English & Overseas Property disposals of £7,000, against payments of £86,000 last time.

said turnover was ahead of forecast with profits reflecting of almost £7m. the group's vigorous policy of refurbishment. He looked for-The shops are in Doncaster, Launceston, Salisbury, Swansea and York. ward to a very good year.

water group stakes denied By Andrew Hill

Limits on

GOVERNMENT departments said yesterday that they had not ordered major investors in the UK's 29 statutory water companies to curb their stake-

building. Both the Department of Trade and Industry and the Department of the Environment, which is responsible for privatisation of the 10 water authorities, said that such restrictions would be difficult, if not impossible, to impose on existing private sector compa-

Ten agreed bids have been launched for water companies this year, nine by France's three largest water suppliers.
The rumour that limitations on water company stakes were imminent has been circulating for some weeks, coinciding with the publication of the Bill to privatise the water authori-ties, which receives its second reading this week.

It seems possible that the rumour has arisen following informal government attempts to calm investment in the sec-tor during the sensitive period while the legislation is being

introduced.
When the Bill was published on November 24, Mr Nicholas Ridley, Environment Secretary, said he could not prevent investors taking over the existing private companies, which supply 25 per cent of the UK's water.

to the Water Companies Asso-ciation, which represents the 28 quoted water companies, Macmillan and the \$750m pur-chase of Official Airline However, MCC made clear begins today in an attempt to last night that it had not decided when to consolidate prevent the public water authorities buying shares in the sector. The review follows the results of either US comwater company investments by Northumbrian Water, which pany or to take their assets and liabilities onto its balance sheet. It expected this would

THE 1968 year-end of Maxwell Communication Corporation, Mr Robert Maxwell's publicly bought directly by MCC. Both Communication Corporation, Mr Robert Maxwell's publicly listed printing and publishing group, has been extended by three months to March 31 because of "substantial impending changes" in the were bought by specially cre-ated off-balance sheet vehicles.

Year-end extended at MCC

Acquisitions help boost Leigh

Interests to an interim £3.03m

operations has resulted in a

number of charges being brought against the company

which are due to come before

Walsall magistrates this week. Mr Bill Pybus, Leigh's chair-

man, said he welcomed the

prospect of new legislation on toxic waste disposal because a

stronger regulatory environ-ment would eliminate the com-

petition from cowboy opera-

Ultimately, said Mr Pybus, Leigh aimed to take itself into the higher-margin, high-tech-nology end of the market

where it would concentrate on disposing of the most difficult toxic wastes, mainly through

Leigh's share price, down 2p at else 1 222p yesterday, indicated that them.

In OAG's case, this was Keated, a company organised by Pergamon Group Holdings, another Maxwell company which entered into the original agreement to buy OAG on October 30. Keated's directors are also directors of MCC. MCC said it would not enter

into any more off balance sheet financing deals until after both companies were consolidated. The OAG purchase is to be financed by a combination of bank borrowings and loan

notes. Keated will take on bank borrowings of \$450m while Pergamon Group will subscribe to \$225m of Keated non-convertible loan notes and \$75m of Keated convertible loan notes.

the company's 70 per cent pre-

tax profits growth was neither

surprising nor miraculous. Half the increase came from

debt reduction and this year's

acquisitions, and a large slug of the remainder can be put

down to last year's 21 pur-

chases. Yet with pre-tax profits

of £6.8m in sight this year and

earnings growth of a mere 7 per cent, Leigh still commands

a glamour stock p/e multiple of

16. The simple reason is the sight of similar operators in

the tougher North American

regulatory environment enjoy-ing profits growth of 20 per cent a year, and the thought that Leigh may be uniquely well placed to do something similar in the UK. The down-ide is the circle of Welphill resi-

side is the sight of Walsall resi-

dents staging sit-down protests outside the company's plant,

but shareholders can console themselves with the thought

that if Leigh cannot get its

public relations right, someone else might always do it for

The acquisition is expected to be completed by December 23, subject to approval by MCC shareholders on December 22.

MCC said it expected to announce next April unaudited profits for the 12 months to December 31, along with a second interim dividend payable in July 1989. Audited 15-month figures would be announced in

Full Colour Residential Property Advertising

APPEARS EVERY SATURDAY Rate £40 per Single Column Centimetre.

declined to elaborate on the package. Aran joined the main Lon-

TEL CAROL HANEY 01-489 0030

Govett American **Endeavour Fund**

Govett American Endeavour Fund reported pre-tax profits of \$4.11m (£2.2m) for the six months to September 30. At that date GAEF, which came to the market in May this year, had a net asset value of \$1.88. Total income for the

period was \$7,19m. Earnings per £1 share came out at 7.5 cents and Lord Chilver, chairman, said that the interim dividend of 6.75 cents gross represented "algorificant"

its more than doubled from has since sold its stakes, and Southern Water. £109.000 to £258.000 on turnover

English & Overseas Property has completed the sale of five shop developments for a total

CONTINUED progress at its main operating subsidiary boosted group profits at Ameri-can Business Systems in the six months to September 30. Pre-tax profits rose 16 per cent from £2.14m to £2.48m on turn-

over up from £16.22m to £21m.

American Business rises 16%

The interim dividend is raised 0.1p to 0.7p.

The USM-quoted company is involved in office equipment distribution in the US. The directors said that sales and pre-tax profits both rose 47 per

cent at Danka Industries to \$37m (£19.79m) and \$4.1m respectively. This progress was offset partly by reduced interest income due to expenditure on acquisitions, a higher tax charge and adverse exchange



80% of our readers are senior executives/self-employed* Why do they read Handelsblatt?

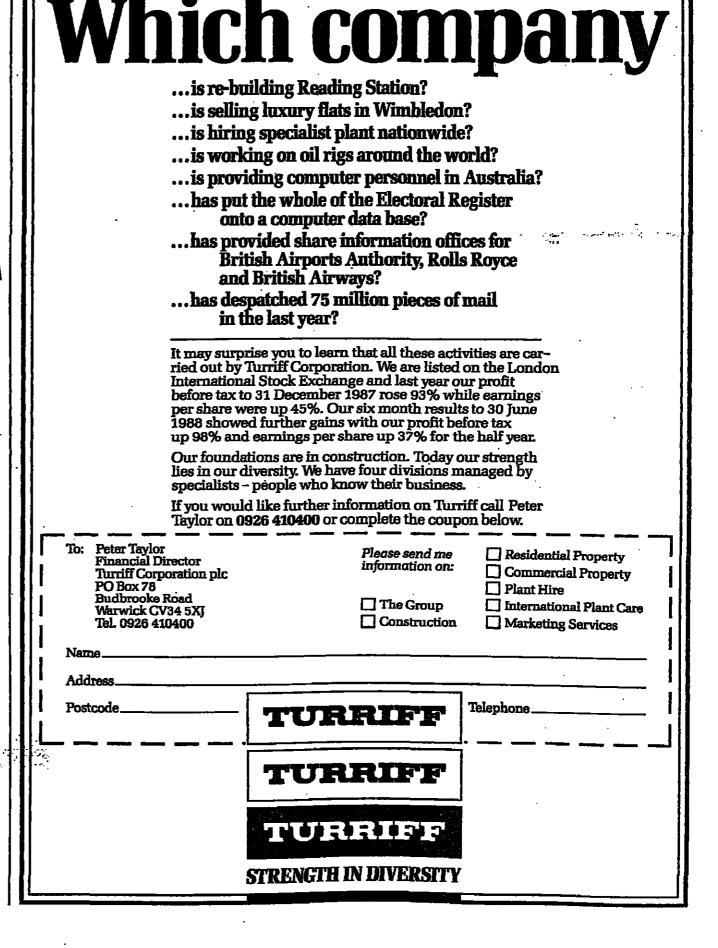
Because it features the best of business and financial news. Not only from Germany but from all over the world. And nothing else. There's not even a crossword to break the pattern. But when it comes to business, it can't be beaten for depth of coverage. Handelsblatt is Germany's only national business and financial daily paper It's become required reading for top businessmen and those who advise them.

Required too for advertising by a host of "blue chip" international companies. In mono and in colour.

Please contact: Brian Howard/James Colquhoun, Handelsblatt, London international Press Centra, 76 Shoe Lane, London EC4A 3.JB. Tel: (01) 3533715/8, or Bob Brean, International Ad Manager, Handelsblatt GmbH, Kasemenstr. 67, D-4000 Düsseldorf. Tel: (0211) 8388320

SEND ME: MEDIA PACK (SPECIMEN	COPY)
NAME	
ADDRESS	
L	





UK COMPANY NEWS

Expanding Alexon rises to £5.5m

By Alice Rawsthorn

ABER 6 1988

TO DESCRIPTION OF THE PROPERTY OF THE PROPERTY

Ties of the same of

Mark Arena Mark Arena Stout of 20 fer and the land to do sometime again of water and again of water and again of water and

SELECTION OF THE SELECT

Company a read while the control of the control of

S ELES SS EE E

व्यक्ति स्था स्थान

to form of the

Kested correct

a to at thing of All abuses by bearing

कर्ष । यासस्य

e ment and enter

The second

ate or less the

Mark the set his

With this to street

and write the

per on exercise a

ALEXON, the clothing group which acquired Ellis & Goldstein earlier this year, yesterday announced a 30 per cent increase in interim pre-tax profits from \$4.23m to \$5.51m.
Mr Peter Wiegand, chairman, said the established businesses had shown growth in both sales and profits, while the restructuring and integra-tion of E & G was progressing

to plan.
Group turnover rose to
£46.84m (£28.81m) and operating profits to 25.57m (24.23m) in the six months to September 24. Earnings per share increased to 16.34p (14.02p). The interim dividend is lifted to 40.55m.

to 4p (2.5p).,
Alexon acquired E & G,
which includes Dash leisurewear and Eastex women's wear, for £44m in August after

Sharp increase

at Reject Shop

The first interim results of the

Reject Shop since its June flo-tation on the USM showed pre-tax profits up sharply from £49,000 to £227,000. Turnover of this furniture and gifts retailer grew 39 per cent to £7.53m in the 28 weeks to October 2 1989

the 28 weeks to October 2 1988.

man, pointed out that tradi-

tionally the larger part of the company's profit was earned in the second half.

He said restrictions on the level of consumer spending were likely to have an effect or

Christmas trading and there-fore on second-half figures. However, he remained confi-dent of a satisfactory outcode

An 18.64 per cent stake in Benlox, construction and industrial group, has been

for the year as a whole.

Benlox stake

After tax of £84,000 (£18,000)

to £227,000

emerging at the eleventh hour as a "white knight" to save E & G from a hostile bid from Berkertex. A year ago Alexon expanded its activities as a "Mank and Care and Marks and Spencer supplier by buying D & H Cohen, a men's and children's wear manufac-turer in Scotland.

The group has been restruc-tured into three divisions retailing, importing, and con-tract manufacturing for M and S – to accomodate the acquisi-

Mr Wiegand also intends to establish a European development team to continue the overseas expansion of Alexon's retail activities and to intro-duce Dash and Eastex to the Continent as part of the reorganisation of the E & G basi-

Alexon also plans to increase

1988, on turnover 73 per cent. higher at £5.98m.

"The latest period includes the results of Debrett's Pes-age, Combill Publications and

O COMMENT

it is also planned to expand Richarvey, the Hong Kong importing business bought at the same time as E & G. Richarvey is to import leisu-rewear for M and S from the Far East and will eventually encompass E & G's existing knitwear sourcing house in

Alexon is withdrawing from E & G's loss-making activities. Yesterday it announced the sale of the Dereta women's wear brand to its management and an Eastex blouse factory in Kent. The two disposals raised about £2m. Alexon now plans to sell two contract pro-

Hong Kong.

For years Alexon has earned the laurels of one of the stars of the textile sector by glean-ing organic growth from its established businesses. It must now prove that it can apply the lessons learnt at Claremont to Cohen and at Alexon to Easter, while maintaining momentum at Dash. The City expects prof-its of £14.5m this year and is waiting until next year for the first fruits of the acquisitions to filter through. Breathing new life into Eastez may take rather longer, but it is in 1989 that the first tranche of the £6m investment programme at Cohen will come to fruition and that Richarvey will expand. In the meantime the shares, at 325p, should move with the market on a prospec-

Sterling Publishing at £0.52m

tive p/e of 9.

USM-QUOTED Sterling SF Publications, all of which were acquired after September 30 1987 and are included on an acquisition accounting basis.

The directors said there was again 1989 on two properties of the current year.

Earnings per 5p share were 1999 (0.93p). There was again acquisition accounting basis.

The directors said there was also continued strong growth

Earnings per 5p share were 1.91p (0.93p). There was again no interim dividend, but directors the continued strong growth also continued strong growth elsewhere in the group. Trading activity remained strong and together with the increase in margins, this buoytors said it remained group policy to allow the full-year dividend to increase in line with earnings per share.

Beaverco leaps 89% to £1.06m

earnings per 5p share were 1.37p (0.34p). As stated at the time of the flotation, there is an interim dividend of 1.05p. Mr. Jack Aaronson, chair-THE SUCCESS of its Safeguard flame retardant foam and diversification of the product base via acquisition enabled Beaverco, USM-quoted specialist form and consumer products group, to report pre-tax profits 89 per cent ahead at \$1.05m for the six months to

said demand for Safeguard had been buoyant because of its flame retardant and environmental qualities. Manufacture of the product did not involve the use of chlorofluorocarbons, he stated.

Aronstead, garden furniture concern, and the business of Karobes, car seat cover and lei-Mr John Lees, chairman, sure products group, both pur-

chased in May, were included for four months. Both were trading well, Mr Lees said. Turnover almost doubled to £19.05m, and interest charges rose to £355,000 (£53,000). After ings per 5p share worked through at 9.3p (5.4p), The interim dividend is raised to 1.9p (1.7p).

Lexicon whittles losses

LEXICON, US electronic equipment maker with a London listing, reported it was breaking even in the last few months of its year with losses for the 12 months to the end of August-falling from \$971,000 to \$906,000 (£484,000). Turnover was \$9.82m equipment \$9.92m industrial group, has been acquired in the name of Fort-lodge. Steger Finanz, Swiss investment company last month sold its 7.69 per cent holding in the Benlet. Mr Simon Berrill, chairmin and chief executive, declined to comment on the transations.

Improve the 12 months to the end of Angust falling from \$971,000 to \$906,000 (£484,000). Turnover was \$9.88m, against \$6.92m.

However after a lower tax credit of \$386,000 (\$731,000) losses per 1 cent share were doubled at 0.06 cents. In view

of the favourable outlook, the directors have proposed an unchanged nominal final dividend of 0.25 cents.

Directors said the improve ments in both sales and gross margins reflected consistent sales volume for the high-end digital effects processors and broadcast products. The year ended with strong backlogs in three new products launched

Morris Ashby rises 64% to £550,000 On turnover up 45 per cent to £4.99m, Morris Ashby lifted taxable profits 64 per cent to

£550,000. Mr Norman Gardner, chairman, said the Kaye (Pres-teigne) subsidiary had extended its foundry. This would enable it to take advantage of a strong order book.

Earnings rose to 4.33p
(3.73p). A maiden interim dividend of 1.7p has been declared.

SI aims to discover home of big stake

SI GROUP, manufacturer of thinks dispensing equipment, is trying to find out the beneficial owner or owners of a large tranche of shares which

changed hands on Friday.

About 2.49m shares, representing 13.6 per cent of the company, were sold to Bankers Trust Nominees. They included the 6.75 per cent stake owned by Mr Robert Cheesewright, a stockbroker. SI is to issue a section 212 order under the Companies Act, which will require the nominees to reveal the benefi-

cial owner of the shares.
At the end of October, SI announced an increase in first-half losses from £267,000 to £323,000 before tax. It plans to restructure and concentrate on the core drinks dispensing

M&G Investment Manage-ment has 14.5 per cent of the group, and Imperial Group Pension Trust owns 8.24 per cent jointly with Imperial Group Pension Investments.

Geevor gets two major holders with Mainband

By Kenneth Gooding, Mining Correspondent

Geevor, the former Cornish tin-mining group which has been expanding its coal inter-ests, has two new major shareholders following completion of its £5m acquisition of the Mainband Colliery in Cum-

Mr Eric Grayson, Geevor chairman, said the two share-holders — St James House Nominees, with 15.2 per cent, and Langtry International, with 6.6 per cent - were ven-dors of Mainband and had been "passive financial inves-tors" in that company. They had agreed not to sell their Geever shares for at least 12

Mr Grayson had a personal interest in Mainband and the deal leaves him with 12.5 per cent of Geevor's enlarged issued capital.



ACFC Corporate Finance Limited

and its holding company Met Life (UK) Limited

have raised

£30,000,000

by way of a medium term transferable loan facility

Arranged and provided by



Canadian Imperial Bank of Commerce

PIONEER ELECTRONIC CORPORATION

Notice is hereby given to holders of CDR's issued by Caribbean Depositary Company N.V., Curação, evidencing shares in the above company that the company's con-vocation notice of the 42nd ordina-ry general meeting of shareholders of common stock to be held on December 16, 1988 may be obtained

Pierson, Heldring & Pierson N.V. Herengracht 214 1016 BS Amsterdam

The Bank of Tokyo Ltd. ablished in: Tokyo, Bruxellet London, Dusseldorf, Paris and New York.

This advartisement is issued in compliance with the requirements of the Council of The Stock Exchange, it does not constitute an invitation to any person to subscribe for or purchase any shares.

ROCKWARE GROUP plc (Registered in England No. 161642)

Placing and Offer to Shareholders of 15,000,000 7.25 per cent. Convertible Cumulative Redeemable Second Preference Shares of £1 each at par.

Permission has been granted by the Council of The Stock Exchange for admission of the 7.25 per cent. convertible ve redeemable second preference shares of £1 each to

Coples of the listing particulars containing details of these shares are available in the Extel Statistical Services and copies may be obtained during normal business hours up to and including 8th December 1988 from the Company Announcements Office, The Stock Exchange, and during normal business hours on any weekday (Saturdays excluded) up to and including 20th December 1988 from:

Rockware Group pic Cliftonville House, Bedford Road, Northampton NN4-OPX

Kleinwort Benson Limited Cazenove & Co.

6th December 1988

You can start small



You can start big



Keep

adding to your portfolio



A bit at a birthday



Use your tax refund



Money left over when buying



Build up a golden reserve

ost wise investors hold from 10 to 15% of their investment portfolio in gold. They know that gold can anchor théir portfolio, as history has proven that gold is the ultimate store of value. But, when you buy gold, you also want the assurance that you can trade it discretely for cash on demand at its full value. As the largest-selling bullion investment coin, the Gold Maple Leaf can meet this demand. Each Gold Maple Leaf coin is 999.9/1000 fine pure gold, and is legal tender at its face value. Independent tests have even shown that

the Royal Canadian Mint gives a little gold away to guarantee each coin's minimum weight. Because of the large numbers sold, its unquestioned reputation, and the government guarantee of weight and purity control, the Gold Maple Leaf is now a standard by which other gold products are measured.

When you buy Gold Maple Leaf coins, you can be sure that you can easily and discretely obtain cash for them wherever gold is traded. There is no time-consuming and costly assay usually required with other forms of gold that do not enjoy universal recognition. Be sure to weigh the advantages of the Gold Maple Leaf - all of which add up to make it, with over 11 million ounces sold, the bestselling investment coin in the world today. And, just maybe worth even more to you than its weight



The Gold Maple Leaf. The world's gold coin standard.

This advertisement is issued in compliance with the requirements of the Council of The Stock Exchange of the United Kingdom and Republic of Ireland Limited ("The Stock Exchange"). It does not constitute an offer or an invitation to any person to subscribe for or to purchase any securities. Application has been made to the Council of The Stock Exchange for all of the 9.75 per cent First Countilative Redeemable Preference Shares 2013 to be admitted to the Official List.



EGERTON TRUST PLC

(Incorporated in England under the Companies Acts 1908 to 1917 with registered number 172000)

PLACING BY IAMES CAPEL & CO. LIMITED

of 10,000,000 9.75 per cent First Cumulative Redeemable Preference Shares 2013 of £1 each at par

Listing particulars relating to Egerton Trust PLC are available in the statistical services of Extel Financial Limited and copies may be obtained during normal business hours on any weekday, Saturdays and public holidays excepted, up to and including 8 December, 1988 from the Company Announcements Office of The Stock Exchange, 46-50 Finsbury Square, London EC2A 1DD and up to and including 20 December, 1988 from:

Egerton Trust PLC 9 Chesterfield Street London W1X 7HF

James Capel & Co. Limited 6 Devonshire Square London EC2M 4LB

6 December, 1988

UK COMPANY NEWS

Raised offer Nigerian exposure likely wins over Allied Irish

US affiliate

By David Lascelles, Banking Editor ALLIED IRISH Bank has secured agreement to purchase the remaining 51 per cent of

First Maryland Bancorp, its US affiliate, after raising its offer by 11 per cent. The banks yesterday announced agreement on a price of \$39.25 a share, up from \$35.24 offered by Allied Irish in September, which was rejected. This raises the cost of acquiring the stake to \$371m (£198.4m).

The new deal will have to be

approved at an extraordinary general meeting.

The acquisition is intended to consolidate the Irish bank's US position and provide it with an avenue for expansion. The combined bank will have gross assets of about 1£14bn. The acquisition will be funded partly by the I£110m rights issue announced in September. The Dublin-based bank said yesterday that it estimated that in the first full year of combined operations in 1989-90, there would be no dilution in earnings per share.

Jarvis issue

J. Jarvis Holdings is issuing 6.03m shares, placed at 148p each for two acquisitions - the Hanley Shopping Centre, for almost £6m, and certain businesses and assets of H. Webb (Construction) and Warriner (Builders) for £3m.

to hit Paterson Zochonis

about 25 per cent of profits.

This time, the main culprit is.

the Nigerian naira which has fallen 23 per cent against ster-

ling since Paterson's May

year-end, compared with 8 per cent in the whole of 1987-88.

EXPOSURE TO Nigeria looks Nigeria, which accounts for likely to hit first-half profits at Paterson Zochonis, the West differ of toiletries and deter-

The group - which owns Cussons, the maker of Imperial Leather soap - warned yester-day that results for the halfyear to November 30 would probably be lower than in the equivalent period, when reported pre-tax profits were down 27 per cent to £11.9m. In 1987-88, the company period. blamed the drop on the low

CLAYHITHE, the provider of

finance and management and developer of land and property

previously known as Betec,

doubled its profits in the six months to September 30. The taxable figure, up from

£914,000 to £1.83m, was struck

on turnover increased by £1.71m to £13.01m. Tax took

£501,000 (£272,000) and earnings

Mr Alan Whittaker, Pater-

Clayhithe doubles to £1.83m

latest knock would not shake the group's commitment to ant on oil. Paterson still believes the country's economy will recover in the longer term to provide a steady stream of income for the company. Analysts seemed generally

The adverse exchange rate sympathetic yesterday. although some have cut 1988-89 will cut profits on translation into sterling despite Paterson's confidence in the last report profits forecasts for the group from £25m to £22m before tax, and accounts that first-half profits wold be "broadly in line" with the equivalent against 1987-88 pre-tax profits of £24.2m. Paterson's shares about 65 per cent of which are held by the Zochonis family -

level of consumer demand in son's finance director, said the

came out at 7.76p (3.77p) undi-luted and 7.19p (3.64p) fully

diluted The interim dividend

has been doubled to

1.5p. Mr John Jones, chairman, said profits had increased in

both divisions. The active

investment division - which

acquires substantial equity in

businesses with good, but not

lifts Brown & Tawse to £4.51m

Demand

STRONG DEMAND across the product range at Brown & Tawse Group ensured a 28 per cent increase in pre-tax profits from £3.52m to £4.51m in the six months to the end of Sep-

Turnover at this distributor of steel and pipeline products advanced 19 per cent to £81.23m (£68.23m) and, with the tax charge ahead at £1.58m (£1.23m), earnings per 25p share worked through at 10.2p

(8p).
The interim dividend is raised to 2.85p (2.4p).
Mr Gilbert Black, chairman, said that, despite the significant increase in the interest charge from £546,000 to £831,000, margins had continfully realised, potential and then applies management and, where necessary, funds to fulfil that potential - had continued

ued to widen. He said that recent acquisitions and new branches had reinforced the sales growth and had sustained the profit

to make further progress.
In the period, Claybithe had acquired a 35 per cent interest momentum. He added that the second in IFG Securities, a Dublinhalf had started well and that based management, invest-ment and financial services prospects for the full year were

COMPANY NEWS IN BRIEF

CI GROUP: Recent open offer accepted in respect of 2.4m shares. Balance of 4.74m (approximately 66.4 per cent) to be purchased by conditional

CAMFORD ENGINEERING plans to relocate the manufac-turing facilities of its Stevenage-based subsidiary, Geo W King, to a new site. The present site is thought to have a net sale value of about £20m, but a price above this figure will be sought. Talks are at an advanced stage to acquire another Stevenage site.

DAILY MAIL and General Trust's offer for Associated Newspapers Holdings has been declared unconditional, but remains open for acceptance. At 3pm on December 2, Daily Mail owned, had contracted to purchase, or had acceptances for 128.88m shares (96.36 per

DALEPAK FOODS has pur-chased Arnold Worsley & Sons (Barnsley) for £175,000 cash. Worsley makes a range of chil-led cooked meats and pies for the retail and catering trades. Sales for the year to April 30 1988 were £3.4m.

DIPLOMA has acquired 75 per cent of the ordinary voting share capital and all the preference share capital of Engineering Computer Services, a hardware and software distributor, for an initial consideration of £2.15m cash. Further payment up to £1m depends on ECS profits over the next two years. There are options, exercisable in six to seven years', over the remaining ordinary voting share capital.

ELDRIDGE POPE AND CO has purchased Quintus Leisure, operator of the Manor Lodge public house and restaurant, Dorset. The consideration of £146,809 is approximately the net assets at July 31 1988 and has been satisfied by the issue of 25,532 'A' (restricted voting)

ordinary shares in Eldridge. HIGHLAND PARTICIPANTS has revised its pre-tax profit forecast for 1988 from not less than £3.5m to not less than £4.5m to take account of the proceeds of the July rights

INCHCAPE is selling Gray Dawes Travel, city travel agency to its management. Profits were £504,000 on sales of £21m in 1987. Total consideration represents less than 1 per cent of the consolidated net assets at December 31 1987. INTERNATIONAL BUSINESS

Communications subsidiary Barham Group is selling its Smedley McAlpine business and its non-trading subsidiaries to its management for £974,229 cash.

LOPEX has acquired Harvest Information Services for £70,000 cash and has increased its holding in the Alliance Advertising Agency, Sweden, to 60 per cent. Lopex has invested SKrl.5m (£135,000) of new capital and the company will now be called Stromgren/

NESCO'S open offer of 1.75m new ordinary at 103p closed on November 29 and it has also completed the acquisition of DCS Group. Of the 806,913 offer shares available for recall, 214,565 were taken up by share-holders. The remainder of the offer shares, 1.14m in respect of which undertakings not to take up had been received, together with the balance of the issue, has been placed with institutional and other investors.

OLIVER RESOURCES owns or has received total acceptances of its offer for North West Exploration in respect of 5.94m shares (46.05 per cent). The offer has been extended until December 13 when, except with the consent of the Takeover Panel it will lapse unless it has become or been declared unconstional

1.50 B . 24 W

ing my 😅

1

WHITERAD AND COMPANY has acquired Homark Associates, nanufacturer of beer dispensmi equipment.

国際不動産コンサルタンツ

- 1 不動產量定
- a) 厳资の為 b) 開発/投資の為
- c) 会計監査の為

d) その他

- 2 コンサルティション
- a) 事務所設置/移転に関して
- 賃料更新に関して リース契約切れに関して
- d) 固定資産税軽減に関して
- 高級住宅に関して 『、以、な字に関して
- g) その他不動産に関して

24 & Rutley 日本企業担当部 London WIR OAH

Fax: 01-629-4599

Telephone: 01-629-8171

なナイト フランク ライリー

Knight Frank

TARGET TRUST MANAGERS LIMITED

hereby announce that: Following the adoption of the scheme of

amalgamation of Target Technology Fund with Target American Eagle Fund, the former holders of Target Technology fund will receive 0.5615891055 of an income unit in Target American Eagle Fund for each existing income unit held in Target Technology Fund at 30th November 1988. Allocations will be made to the nearest thousandth of a unit. Certificates in respect of the new holdings in Target American Eagle Fund will be despatched on or before 23rd January 1989.

MILLS ACQUISITION CO. US\$ 1,100,000,000

TENDER OFFER AND MERGER FACILITY

In connection with the acquisition of

Macmillan Inc.

Arranged by

Samuel Montagu & Co. Limited

Provided by

Bank of America NT & SA

The Bank of Nova Scotia

Lloyds Bank Plc

The Chase Manhattan Bank, N.A.

Midland Bank plc

National Westminster Bank Group

Agent Bank

Samuel Montagu & Co. Limited



This announcement appears as a matter of record only



MAXWELL COMMUNICATION CORPORATION plc

US\$ 1,320,000,000

Transferable Syndicated Loan Facility

Arranged by

Crédit Lyonnais London Branch



Crédit Lyonnais, London Branch

Société Générale London Branch

Swiss Bank Corporation

Barclays Bank PLC Crédit Agricole, London Branch The Long-Term Credit Bank of Japan. Limited

Bayerische Vereinsbank AG(London Branch) Creditanstalt - Bankverein Swiss Volksbank

Agent

Crédit Lyonnais London Branch

September 1988

iand Dobson Park expands in

Brown ?

DEMAND STATES

Tange at Break a see in present a see in in to exist and a second er at the 20020 2 200 E SHEO SAME SELECTION

Region divided a Ben Face Tease of the last Barren al age Action Person Services of the ident that he was a few of the few the few the few that he few the few that he few that he

dinor the dis-dinor of the con-der as the dis-der the account of the the account of account the manner of account the con-more than a con-der the con-der the conne tolines of the and other traces

A RESOURCES (FOR

Mitted in these dis-医多斯尔 医红色性 THE TO A DATE COMPANY ARTHUR OF THE TOP A FEW APPROXIMATION OF THE ARTHUR OF THE TOP Mexad and ceed SELECT CONTRACT Name and the state of the state

TION plc

EMBER 6 1389

US as profits rise 26% DOBSON PARK Industries, mining equipment and engineering group, yesterday announced full-year pre-tax profits 26 per cent up at £17.7m on turnover just 7 per cent integrated with Dobson's exist-biobar at \$1200.000 Archives at \$1200.000 Archiv mining equipment and engineering group, yesterday announced full-year pre-tax profits 26 per cent up at £17.7m on turnover just 7 per cent higher at £236.22m. At the same time, Dobson said it was paying a maximum of \$20m £30.2m) to add a further US company, Transducers Inc. to its industrial electronics diviits industrial electronics divi-

sion.

The year to October 1 saw a sharp curtailment in orders for mining equipment from British.

Coal and the situation is expected to deteriorate further in

Profits from mining equipment rose during the year from £6.3m to £7.5m, but the whole of the improvement sprang from the elimination of losses in two overseas businesses. In response to the worsening situation, Dobson carried out far-reaching rationalisation far-reaching rationalisation measures at its own UK businesses and also bought in July the mining equipment side of its competitor, MS International. The film purchase followed its failed \$35m bid for the whole of MC competition in the the whole of MSI earlier in the

Redundancy and reorganisa-tion costs charged above the line were 21.4m, against 42.6m

ing US load cell company, Revere Corporation. Revere's first-time full year contribution

to group profits was somewhat lower than expected, but IRD, the other US industrial electronics business acquired in 1987, performed strongly. New products are being introduced at the power tools division. This put in a strong performance in the year under review although Dobson warned recent rises in UK interest rates made the outlook

Some of Dobson's toys enjoyed a resurgence in demand towards the end of the year and the toys and plastics division overall maintained profits against a background of reduced volumes and less favourable exchange rates.

To operating profits, industrial electronics contributed 23.4m (\$2.3m), toys and plastics £2.5m (£2.5m) and power tools £2.6m (£2.1m). US tax losses helped the tax charge fall from 36 per cent to

31.5 per cent. An extraordinary debit of £3m arose from the

UK COMPANY NEWS

Dowly Group, despairing of the market for mining equipment in the UK, last month decided to sell. Because this activity is to sell. Because this activity is relatively so much more important to Dobson Park, it is pursuing the alternative strategy of buying the competition (but not Dowty's division) and trying to widen its product range and international presence. But even with the defensive measures it has now carried out, the company is not measures it has now carried out, the company is not looking for higher profits in this division this year. At the same time, its other businesses, power tooks and toys especially, are looking highly exposed to the strong pound at the moment. The industrial electronics side, which it hopes to expand further by acquisition, is therefore under severe pressure to succeed. The pressure to succeed. The shares, on a prospective p/e of around 8 if it makes £18.5m this year, are better left alone but at least Dobson is increas-ing the dividend.

2536,000 and had net assets of

£519,000 at March 31 this year

and Climperhurst pre-tax profits of £116,000 and net assets of

Willaire directors expect that pre-tax profits of the existing group for the 12 months to

December 31 will be not less

than £2.3m compared with £1.3m previously and expect to recommend a final dividend of

£210,000 at January 31.

Emess in £4m Far **Eastern** expansion

By Clay Harris

EMESS, the lighting and electrical accessories group, has bought a 45 per cent inter-est in Transformic Electronics, a components manufacturer in

Hong Kong and China.
The price was not disclosed,
but Emess is believed to have
paid about 24m.

Transformic is a long-time supplier of lighting assemblies for Brillantleuchten, Emess's 54 per cent owned West Ger-man subsidiary. The Chinese factory also makes compo-nents for Daimler-Benz, the West German motor

group.
Mr Michael Meyer, chairman, said yesterday: "Arguably, it's one of the the most important acquisitions we've

ever made."

The Chinese factory – there are also three in Hong Kong – will supply halogen-lighting transformers as well as moulded plastic components.

The acquisition gives Emess its second direct interest in an Asia manufacturing opera-

an Asia manufacturing operation. A Singapore factory sup-plies about 10 per cent of the group's electrical accesso-

Transformie has annual sales of about HK\$150m (£10.3m) and net assets of HK\$70m. Management is retaining a controlling 55 per cent interest in the com-

Hanson completion

industria) conglomerate, has completed the sale of Kidde Fire Protec-tion to Pilgrim House Group, now a subsidiary of Williams Holdings. The \$253.75m (£137.27m) deal had been delayed for several months by US anti-trust procedures,

us anti-trust procedures, although no changes were required in the end.

The businesses being sold made a pre-tax profit of \$26m on sales of \$268m in 1987 and have net assets of about \$38m. In addition to the cash payment to Horsey Billying. ment to Hanson, Pilgrim House is also assuming debt of about \$12m.

Chestergate sale

Chestergate Group, the USM quoted interior design and construction company for-merly known as Shoralplan, has aunounced that 1.1m of its endinary shares have been sold to a group of new institutional investors

investors.

In a move designed to provide practical support for further acquisitions, Mr Roger Taylor, chairman, has dis-Taylor, chairman, has disposed of 1m shares and Mr William Kaczynski, director, 100,000. The disposals reduce Mr Taylor's holding to 3.5m shares (29.4 per cent) and Mr Kaczynski's to 237,500 (2 per

Willaire £4.3m acquisitions By Ray Bestdord

WILLAIRE Systems, USM-quoted industrial ser-vices, environmental and computer products company, is making two acquisitions for an initial consideration of £4.8m.

The company is paying £3.4m for Medical Air Technology and £900,000 for Climperharst, air conditioner service and maintenance group with and maintenance group, with the payment of an additional \$1.25m pegged to profits perfor-

Laporte purchase

Laporte Industries (Holdings),

speciality chemicals concern, is paying \$5.1m (£2.75m) for a US maker of polymer-based prod-ucts for the US construction

and civil engineering indus-tries. Dural international Cor-poration specialises in regin

compounds for the restoration of large horizontal concrete

mances of the the groups.

To fund the initial consideration Willaire is issuing 23.9m ordinary shares at 18p. These are being offered to existing shareholders on the basis of 2.8 ordinary shares for every 10 held and 154.9 convertible preference of the preference erence shares for every 100

Medical Air Technology recor returned pre-tax profits of 0.5p.

ACAL profit on target with £1.7m at midway

ACAL has confirmed the remarks made in the prospec-tus, with pre-tax profits for the half year to September 30 well ahead from £1.17m to £1.7m. Turnover grew by £3m to

The group is involved in electronics and industrial con-trols. After tax of £704,000 (£502,000) earnings per 5p share rose from a restated 5.7p to 7.6p. There is a first interim dividend of 1.35p.

BICC in Spanish expansion

BICC, cable and construction take its holding to 49 per cent on performance.

group, is consolidating its position as a leading cablemaker in Europe with the purchase of a 20 per cent stake in in Grupo Espanol General Cables of 211.8m and a maximum of 7.5 times average mum of 7.5 times average of a 1980 and (GEGC), Spain's largest cable

The £6.9m purchase is the first stage in a longer-term transaction whereby BICC will-

In this complicated deal, the management of GEGC will eventually acquire up to 51 per-cent of the company depending

GEGC had sales of £143m in profits of film. Net assets of the group after reconstruction for the management buyout

stand at £14.5m.

BICC's move follows the acquisition of Ceat Cavi in Italy earlier this year.

Why firms depend on Tiffany's Corporate Division.

A celebrated design staff that can create one-of-a-kind masterpieces for your most important customers and employees.

Tiffany's distinctive blue box.

A custom-tailored service recognition programme to reward your employees for longevity of service.

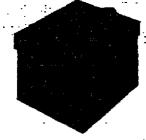
> Exclusive Tiffany sales incentive gifts that recipients cherish forever.

> Tiffany corporate dining accessories. China, flatware and crystal that carry your firm's logo.

A professional, multilingual staff.

Large inventories to insure that the business gifts in our catalogue are always in stock.

An account executive who takes personal pride in serving all your business needs.



Multiple order capability nationwide, worldwide. To receive a catalogue, open an account or place an order, simply call 01-408 2271.

25 OLD BOND STREET · LONDON · W1 · FAX 01-491 3110

SHARE STAKES

Changes in company share stakes announced recently include:

Airflow Streamlines - Mr Edward and Mrs Olive Emily Loaded have acquired 47,500 codied have acquired 47,500 ordinary (0.55 per cent), bringing their total holding to 872,538 (10.21 per cent). The shares are registered in the names of Barry Ltd (372,538) and Santsbury Ltd (500,000).

British Syphon – Melton Medes and Mr N Puri, its chairman, now have an interest in 3.3m shares (10.28 per cent). Geevor – Mr C B Gill has acquired 1.24m ordinary (6.7 per cent) and now holds 1.32m

(7.1 per cent). Hicking Pentecost – Telfos has purchased an additional 100,000 ordinary at 77%p and is now interested in 1.21m (18.88

inny Merchant Developers – Mr M T Myers, chief executive and managing director, has disposed, at an average price of 419p, of 400,000 shares to other bers of the board. He now holds 1,43m and remains the largest single shareholder on

McLaughlin & Harvey - Mr C Yuill, chairman of Thorbourne, and other parties acting in concert now hold 375,000 ordinary (9.21 per cent), although none of these parties individually holds more than 3.68 per cent. Priest Marians — Interallianz Bank Zurich has sold on behalf of Interallianz Securities Corp. Panama, £425,000 nominal of 6.5 per cent convertible unse-cured loan stock and 735,000 ordinary. The total interests of Mr S Fussell, director, and those parties deemed to be in concert with him are now 3.77m ordinary (24.83 per cent) and £8.7m nominal of the loan stock (29.12 per cent). Next — Medlock & Medlock now holds 15,818 6 per cent

cumulative preference shares at £1 each (15.32 per cent). TR Australia - River Plate and General has acquired 100,000 ordinary, bringing its total holding to 9.62m (29.34 per cent).



Announcement for Information Only

Completion of the CROWTHER MANAGEMENT **BUY-OUT**

took place on 12 October 1988 at a total consideration of

£93,000,000.

Charterhouse **Development Capital Limited**

negotiated the purchase and arranged financing of the transaction.

Equity capital totalling £13.50 million was provided by the following leading institutions:-

EQUITY UNDERWRITING Charterhouse Buy-Out Fund

OTHER EQUITY SUBSCRIBERS

Mercury Asset Management Limited Midland Montagu Ventures Limited

Charterhouse Development Capital is a member of IMRO THE ROYAL BANK OF SCOTLAND GROUP

·Potential Made Possible ——

SO WHAT'S NEW?

Financial traud is as old as money itself.

The problem is that the amounts are bigger and the means more numerous.

In December, The Banker looks at whether bankers are really mendacious or simply misunderstood.



PLUS The Enforcers or Bolting the stable door... The SEC, the Financial Services Act, the DTI and the Basle Concordat.

AND an exclusive interview at BCCI.

ALSO IN THE DECEMBER ISSUE Back to Nature: Ecologists are delighted but will debt-fornature swaps catch on?

Sweden's ASEA Brown Boveri develops taste for commercial paper.

SWIFT II in crisis

AND

A 36 page special on the Top 100 Arab Financial Institutions

THE BANKER – the complete monthly briefing for all financial strategists available now from newsagents in Paris, Basle, Zurich, New York, the Eastern States and

Precious metals hit highs but may lose ground

By Kenneth Gooding, Mining Correspondent

THE PLATINUM price in London yesterday reached its highest level for six months. Gold reached a three-month peak. However, some analysts believe the precious metals are due to lose ground again this

Recent renewed interest in platinum has been sparked by the launch of two legal tender coins from Australia and Couns from Australia and canada and reports suggesting supplies of the metal will be tight for the next year or so.

In London yesterday platinum touched \$614.25 a troy ounce in morning trading, before profit-taking pared its gains and the price ended at \$613 an ounce, up \$14.25 from

Ms Rhona O'Connell, analyst with Shearson Lehman Hutton's London metals research unit, said platinum failed on Friday in New York to break through the psychologically important level of \$620 an ounce. She suggested the platinum price, up about \$60 in a week, was due to fall back.

due to fall back.
On gold she said: "Gold did
its utmost to ignore platinum's
rise. It turned a blind eye to the increase in oil prices. But the news on Friday that US unemployment had risen sharply was the last straw." In early trading yesterday gold bullion reached \$431 a troy ounce and demand from

strong.
This encouraged profittaking which saw the price dip later to \$429 an ounce, up \$4.35 from Friday.

Ms O'Connell said she believed gold was still trapped in a very narrow trading band.

"I think we will see \$425 an

The silver price initially took its tone from the other precious metals and moved to 622 cents an ounce in London. However, there was little fresh news to support the upward movement and a little light selling was enough to push the price back down to 619 cents, still 6 cents ahead of Friday's level.

ounce again rather than \$435,"

Platinum warrants to be issued

By Our Mining Correspondent

commodities dealer, is to issue 10,000 warrants to buy

The company believes it is the first time platinum warrants have been issued. It suggests the instruments will represent the only method for speculators to take a long-term view of the platinum market. Each warrant will cost 840 Swiss francs and can be converted into five troy oz of platinum between this December 23 and June 28 1990, at

US\$590 an ounce. Warrants will follow the US style and can be converted at any time in the 18-month period. A SwF25 commission will be charged.

The platinum price has been volatile but relatively high in recent weeks and yesterday from Friday's level.

was \$613 an ounce, up \$14.25 Two recent reports, from

J. ARON, THE New York-based securities group, and from Johnson Matthey, the precious metals marketing organisation, suggested the price is likely to stay buoyant in the next 18 months because of supply

tightness. Shearson said the platinum price will probably range between \$500 and \$675 an ounce next year.

Goldman Sachs Finanz is lead manager. It is a Swiss offshoot of the Goldman Sachs group, which is also Aron's parent.
The warrants will be listed

on the Luxembourg stock exchange in bearer certificates representing five warrants. The warrants cannot legally be traded in the US or held by US citizens. Goldman Sachs said it had reacted to demand from Switzerland and Japan in

particular. There will be no delivery of platinum as a result of warrants being exercised.

Settlement will be in US dollars in an amount equal for each warrant exercised to the excess over the exercise price of the London platinum after-noon fixing price for one troy ounce of fine platinum (999.5 parts per 1,000) on the second business day in London after the exercise date. Payment will be made within four London

and Zurich business days. Goldman Sachs said there were no alternative vehicles for long-term play on platinum because platinum futures contracts on the New York Mercantile Exchange and the Tokyo Commodity Exchange only offered liquidity up to six

There is an over-the-counter option market in platinum but there were only three active market makers, including Aron, and this market was also only liquid up to six months,

Price gains boost Australian profits

By Chris Sherwell in Sydney

AUSTRALIAN MINING's that their net profit return on average shareholders' funds ability ended six years' poor than doubled to 14.7 per performance but was earnt in cent from 6.4 per cent. the smelting and refining industries by higher metal

This is the main finding of try's total net profit for the the annual minerals industry year, after a A\$300m loss in survey, for the Australian 1986-87. Mining Industry Council. The survey, published last week, is based on responses from 113 mining companies covering the bulk of

Australian mineral output. It shows Australian mining companies' net profits almost trebled in the year to June, to A\$1.77bn from A\$669m, and

Main contributor was smelting and refining. In spite of prices rather than the coal, iron ore and gold sectors. higher direct taxes it provided almost A\$700m of the indus-

LANE WAREHOUSE STOCKS (Change during week ended last Friday) Aluminium standard -0.600 to 25,875 n standard: -4,600 to 23,575
n high grade-800 to 141,875
-1850 to 63,650
-425 to 53,750
+552 to 2,634
+4,050 to 25,800
-240 to 8,795

to 15,214,000

Close Previous High/Low

Silver (oz). -44,000

COCOA Efforme

This was the sector's first such net profit since 1983-84. Sales were higher, at A\$6.2bn, up 37.7 per cent.

Exploration and mining saw only a small net profit rise, to A\$1.07bn from A\$970m. Although the bulk minerals coal and iron ore saw small rises in negotiated contract prices, these were more than offset by Australian dollar appreciation. Moreover, the overall decrease cancelled out base-metals price rises.

Exploration and mining returns fell for the second year but stayed above early-1980s levels. Returns from smelting and refining were the highest since 1979-80.

Previous

Locust threat to Turkey 'subsides'

By Jim Bodgener in

THE THREAT from locust swarms blown in over the weekend on to Turkey's Aegean and south-western coastlines had subsided, relieved Turkish officials said

yesterday. Strong winds had apparently driven swarms from Aegean islands, where they damaged crops, and the locusts were part of the general plague sweeping from North Africa, they said.

The infestation has been greatest by far in Antalya province, where the insects began to arrive on Saturday night. The area is one of the most fertile in Turkey, producing abundant cotton, cereals, vegetables and citrus

However, because of cold weather the locusts were lethargic and easily trapped, stuffed into sacks and burnt in pyres before they could damage crops. The harvest in the area is, anyway, mostly

There has been bickering about the authorities' preparedness. The president of the Agricultural Association of Turkey, Mr Ibrahim Yeikin, said yesterday he had warned the Agriculture Ministry a year ago about the potential danger of a locust infestation. One aircraft started to spray the incoming swarms on Sunday. Spraying stopped yesterday for lack of targets, although another 11 aircraft operated by Turk Hava Kurumu (Turkish Aviation

Board) were standing by. By the time the locusts reached Turkey, most though fully-grown to about
5cms or 6cms - were brown,
indicating their spawning
cycle was over. This is only
the second recorded invasion of Turkish territory by African locusts — the first in 1962 was into the south-east, from

Peruvian well drilled again By Veronica Baruffati in

OCCIDENTAL PETROLEUM is again drilling for oil in the La Colpa 1X well in the first stage of a contract signed with Petroperu on March 22 1986. Drilling stopped more than two years ago when Petroperu cut Occidental's fees. This row ended on October 25 in a deal whereby Petroperu pays
Occidental a higher fee for
new oil produced in the jungle.
La Colpa's site was
discovered after seismic
studies along 2,000km by
Western Geophysical.

Gourlay leads on falling income

Royal Smithfield Show opens with stirring speech by NFU chief

HE Royal Smithfield Show opened at Earl's Court yesterday followed by a most stirring speech from Mr Simon Gourlay, National Farmers Union president, intended to galvanise the debate on farmers declining incomes and what should be done about

He linked it all to the success, or otherwise, of the European Community's attempts to cut production and, while he conceded that most agricultural policy decisions were now made in Brussels, he slammed the British Government's economic management particu-larly in respect of its effects on farmers, and called the situa-

tion intolerable. He said: "The UK now has the highest inflation rate in the EC and it is still rising. We already have the highest interest rates and we are told they are likely to go yet higher." The combined effects of inflation, borrowing costs and high sterling values imposed a crippling penalty on agriculture and meant every percentage rise in base rates now translates into at least 6 percentage points off the industry's abysmally low

net income. Mr Gourlay said he saw no alternative to some further extension of supply management to achieve market balance in agriculture. He denied this meant quotas, preferring, he said, to speak of compulsory set-aside, (compared with the voluntary scheme introduced this year). This would control production of some arable crops to required levels in exchange for which farmers would receive

higher prices.

The present EC policy of trying to control production by a series of so-called budgetstabiliser mechanisms was not efficient. "No doubt they would bring down production eventually but the adjustment process would be prolonged, unpredictable and highly damaging," he said.



By David Richardson

He said he was discussing with French and German farmers' organisations the possibility of a joint approach to promote the concept of

supply management to EC officials early in the new year.

As a farmer, my wishes coincide almost exactly with those of Mr Gourlay. Although not a dairy farmer I have watched the introduction and application of milk quotas since 1984 and the relative prosperity they have brought. Ex-farm prices for milk have remained steady throughout, provided farmers controlled production to permitted levels. Dairy farmers have learnt to produce milk more efficiently and the EC surplus has been cut to a trickle.

Mr Gourlay clearly believes, and I agree with him, that something similar should be introduced for cereals, the profitability of which has been eroded almost entirely over the past four years. However, he made his proposels on the years day that the als on the very day that the world's agriculture ministers, including our own Mr John MacGregor, began a meeting in Montreal to try to negotiate removal of all trade barriers, subsidies and protectionism for agriculture. It will doubtless not

have escaped Mr MacGregor's attention that one of the sideeffects of the introduction of milk quotas 41/2 years ago has been a shortfall in beef output. About 65 per cent of beef produced in the UK comes from calves and dairy cows. The fall in dairy-cow numbers which followed quotas has

FARMER'S VIEWPOINT therefore depleted the number of calves available for finishing as beef animals. Indeed, UK beef output this year has fallen to its lowest level for 15 years and a further fall is expected next year.

ef prices have risen considerably and are still rising and, in spite of sharply increased imports, supplies in the shops this year will almost certainly prove to be down 4 per cent to 5 per cent. In response to this, Mr MacGregor's own advisory officers at the Smithfield Show

are advocating the production of more beef from specialist breeds by twinning.

This involves the use of embryo-transfer technology, enabling cows to be impregnated with two fertilised eggs thereby producing twice the normal number of calves.

Most cattle-breeders do everything they can to avoid twins because of the calving difficulties they cause. Ministry advisers are aware of this of cause. this of course but politics often flies in the face of practicality. However, while the beef and milk producers at Earl's Court this week may have a spring in their step, arable farmers like me are rather morose. Traditionally we are the people who buy the big machinery on show - Smithfield was traditionally a fatstock show but has now become the main winter shop window for farm machinery. But most of us arable farmers have just experienced our third unprofitable

Machinery-makers say some of us have begun to do business again but admit it is usually because of some external factor such as the availability of cash from the sale of a piece of land for development. Others have been reluctantly forced to replace old, worn-out machines to keep farming. There is little sign of arable farmers buying under the planned kind of regular renewal programme possible a few years ago.

year in four.

Manufacturers and finance houses at the show are doing

company has its own so-called unique loan scheme with a claimed zero interest option for purchases over a period of years. Discounts off list prices make a mockery of list prices and one company at Earl's Court this week is even offering a supply of free dissel fuel for its tractors as an added

incentive to buy. Their schemes have presum-ably worked because tractor sales are reported to have increased this year, by 12 per cent to 15 per cent, to 22,000 units. However, it should be recognised that a high proportion of those were small machines down almost to lawnmower size; that while sales in the West Country and Wales were well up on the back of milk profits, those in East Anglia were 30 per cent down; and that 10 years ago 30,000 or more tractor sales a year was the norm.

that an industry noted for its conservatism in financial 60 per cent of its tractors through some sort of finance or lessing scheme.

Meanwhile the farm-machinery industry itself continues to rationalise, in other words to close factories and regroup. Few companies can afford to develop and produce the complete ranges of machines for all seasons for which they were known only few years ago. Today the manufacture of specialised equipment is becoming concentrated into fewer and fewer hands and most of them seem to be foreign rather than

British. The same trend apparently is even affecting the cattle which will today compete for the supreme championship of the show. Of the 393 animals entered in the beef classes, 244 were sired by foreign breeds of bull. Traditional British bulls of the Hereford and Aberdeen Angus breeds were responsible for just 21 and 28 animals respectively.

Palestinian farm exports are heading direct to EC

By Andrew Whitley in Jerusalem

TWO YEARS of talks have grapefruit and 13,000 tonnes of footing as those from Israel - ended in direct exports of oranges - 3,000 navel oranges opened new horizons but ended in direct exports of oranges - 3,000 navel oranges Palestinian farm produce and 10,000 valencia – are strenuous Israeli objections from the Israeli-occupied scheduled for export from Gaza repeatedly delayed implemenfrom the Israeli-occupied territories to the Euro Community.

consignment of Gazan grape-fruit left Ashdod, an Israeli port, for Rotterdam. Next produce has been sold locally week, the first shipment of or to the Arab world, via aubergines from the West Jordan. An EC initiative of Bank is scheduled to depart for Marseilles.

US MARKETS

WITH THE absence of any major

nomic reports, the metal markets started the week with quiet sessions,

reports Drexel Burnham Lambert . Prices slipped in the gold, silver and

platinum but trading ranges were narrow. Copper futures had a duli market with prices advancing 120 in March. Copper stocks came out slightly higher than expected. In the softs, cocoa futures gained 22 in March due

WORLD COMMODITIES PRICES

Ring turnover 12,850 tonne

High/Low AM Official Kerb close Open Interest

Ommunity. salvaging an industry which on Sunday a 1,100-tonne has lately encountered increasing difficulties.

Up to now most Palestinian Bank is scheduled to depart for October last year - putting goods from the occupied A further 2,000 tonnes of territories on the same tariff

Last-minute hold-ups, attributed by Israel to security checks, mean Gazan grapelruit may not be in European shops in time for Christmas, as had been initially planned by its

However, at least the hardfought advance has been achieved.

Copper mine in **PNG** stopped

BOUGAINVILLE COPPER said production was again halted at the Panguna mine in Papua New Guinea on Sunday night when explosives damaged a transmission tower carrying power to the mine, Reuter ports from Sydney. Emergency generators are

providing power for lighting and other purposes, said the company, 53.6 per cent owned by CRA.

An incident last Thursday resulted in a two-day closure of the mine and production losses estimated at 4,000 tonnes of copper concentrate.

LONDON MARKETS

day Cor low Fric

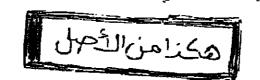
SPOT MARKETS		
Crude oil (per berrel FOB)		+ cr -
Dubel Brent Blend W.T.I. (1 pm est)	\$11.75-1.85q \$14.50-4.75 \$15.55-5.58q	175
Oil products (NWE prompt delivery per to	onne CIF)	+ or -
Premium Gasoline Gas Oil Heavy Fuel Oil Naphtha Petroleum Argua Estimates	\$179-182 \$144-146 \$68-70 \$135-138	+3.5 -2 -0.5
Other		+ or -
Gold (per troy oz) Silver (per troy oz) Platinum (per troy oz) Palladium (per troy oz)	\$429.0 619c \$613 \$125.75	+4.25 +6 +14.2 +0.75
Aluminium (tree market) Copper (US Producer) Land (US Producer) Nickel (tree market)	\$2460 159 ⁵ g-162c 40 ³ g c 665c	-55 -1 ₆ -55
Tin (European tree market) Tin (Kuala Lumpur market) Tin (New York) Zinc (Euro. Prod. Price) Zinc (US Prime Western)	£4050 19.59r 342.5c \$1500 72 ³ 6 c	-0.01 -2.0
Cattle (live weight)† Sheep (dead weight)† Pigs (live weight)†	114,14p 173,68p 82,30p	-1.06° + 0.61° + 1.32°
London daily sugar (raw) London daily sugar (white) Tate and Lyle export price	\$290z \$306z \$264.5	-2 -2 -2.5
Sarley (English feed) Maize (US No. 3 yellow) Wheat (US Dark Northern)	2109 2126 2111.75	-1 +0.76
Rubber (spot) ♥ Rubber (Jan) ♥ Rubber (Feb) ♥ Rubber (KL R\$S No 1 Jan)	57.50p 62.50p 63.50p 280.6m	+1.25 +1.25 +1.25 +3.0
Coconut dii (Philippinas)§ Paim Oli (Malaysian)§ Copra (Philippines)§ Soyabeane (US) Cotton "A" index Wooltops (64s Super)	\$570z \$405 \$360 \$176 60,45c 600p	+2.5 +0.5 +0.50

	_			CIOSO	LIGAKOGS	rugiv	LUW			CHUST	-	127~20
SE metal prices were the LME yesterday:			Dec	845	626	842 8			Akuminis	m, 99.7%	perity (\$)	per tonne)
vance, which had let			Mar May	864 884	853 653	865 8 864 8			Cash	2415-2		510-20
erbought Trading in			Jul	866	865	866 8	56		3 months			406-10
rvous, and the metal			Sep Dec	866 888	657 881	863 8 886 5			Atuminia		bengà (g b	
y's lows after erration mex. Its decline tool			Mar	896	891	889 8			Cash Dec. 21	1245-5 1230-5		305-15 290-300
ver. while zinc retre					1190) lots o							
day record levels, w		rs			rices (SDR 1100.71 (11						(E per tonn	965-70
id had been underpi					121,44 (1115			9 4-4-	Cash 3 months	1890-5 1831-2		697-8
eculation, but unsup ish fundamental devi						•			Silver (U	S cents/fi	ine ounce)	
i sharply, with long			00000	E £itonne					Cash	608-11	6	11-3
ding little interest fr			- COLLE	Close	Previous	High/	1		3 months	621-4	6	24-7
eanwhile cocoa mov Iding as uncertainty			Jen	1105	1104	1110			Lead (£ ;	er tonna)	
s proposed deal bet			Mar	1009	1090	1099			Cash	390-1 : 382-8		07-9 96-7
lvory Coast, the wo	orld's bigge	est	May Jiy	1085 1090	1075 1075	1085 1087			3 months			
oducer, to mop up si			Sep	1084	1072	1065			Nickel (\$	14700		5400-500
e first day of this we oducers' Alliance m			Nov	1084	1078	1070			Cash 3 months			3500-600
d not produced any			Turnov	er2507 (S Sicator or	259) lots of ices (US o	5 tom	HOS BL ÓOL	md) for	Zinc, Spe	icial Kigh	Grade (S	per tonne)
ws, dealers said.			Dec 2	: Comp.	daily 116.19				Cash	1620-3		655-85
OT MARKETS	_		average	a 114.78 (114.59).				3 months	1560-6	5 1	590-5
ode oil (per berrel FOB)		+ or -				_	•		Zinc (\$ p	er tonna)	<u> </u>	
bel	\$11.75-1.850		\$UQA!	t (3 per to	rine)				Cash 3 months	1620-8 1535-4		650-60 568-70
ent Blend	\$14.50-4.75	175	Raw	Close	Previous	High/	Low		g IIKAIUA	1385-		
T.I. (1 pm eat)	\$15.55-6.580	-0.15	Mar	257.00	261.20		0 256.					
products NE prompt delivery per t	onne CIFI	+ or -	May Aug	250,20 241,40	253.20 244,80		0 249J 0 242J		POTATO	ES E/lone		
mkum Gasoline	S179-182		Oct	238.40	240.80		G 23 7.			Close	Previous	<u>-</u> -
s Oil	\$144-146	+3.5	Wishe	Close	Previous	HIĞIM	Low		Feb Apr	65.0 95.9	88.0 96.8	60.0 96.3 95.
svy Fuel Oli	\$68-70 \$135-138	-2 -0.5	Mar	290.50	293.50		0 291		May	111.5	1124	111.8 111.
phtha troleum Argus Estimates			May Aug	266.00 267.00	289.00 289.50		0 284J 0 289J		Turnove	23 (47)	lots of 40	tonnes.
		+ or -	Oct	280.50	284.00	282.5	0	-				
ld (per troy oz) Ф	\$429.0	+4.25	Mer	279.00	281.00	253.0	_		-			
rer (per troy cz) 🌩	619c 5613	+6 +14.2		er: Raw 172 (1901).	1830 (5129)	lots	of 50	ionnes.	SCYABE		L Eftonne	
tinum (per tray az) ledium (per tray az)	\$125,75	+0.75	Parta-	White (Fi	Fr per tons					Close	Previous	High/Low
minjum (tree market)	\$2460	-55	1697, A	lug 1700,	Oct 1640, D	ec 163	io, Me	r 1635	Dec Feb	157.00 163.00	156.50 161.50	157.00 163.00 16:
pper (US Producer)	159 5 - 162c	-14				•			Арг	162.00	161.00	162.00
ed (US Producer) kel (tree market)	40 ¼ c 665c	-55	LONDO	K PETAL	EXCHANG	E TRA	0	PTIONS	Jun	153.00		153.00
(European tree market)	£4050	-0.01	Akunin	lum (99.7°	%) C	alla	Ŧ	ruts	Turnove	r 70 (141)) lots of 20	tonnes.
(Kuela Lumpur market) (New York)	342.5c	-2.0		orice S to	-	Mar	Jan	Mer				
e (Euro, Prod. Price)	\$1500		2250		169	171	30	117	COCHOUN	CHTICH	ES \$10/inde	
c (US Prime Western)	723gc	4 000	2300		104	124	65	168	- NEIGHT			
tie (live weight)†	114.14p 173.68p	-1.06° + 0.61°	2450		58_	88	118	230		Close	Previous	_ <u>-</u>
sep (dead weight)† s. (live weight)†	82.30p	+1.32"	Copper	(Grade A) (والد	•	ota etu-	Dec Jen	1483 1510	1478 1503	1496 1476 1520 1505
ndon daily sugar (raw)	\$290z	-2	3000		324	255	65	285	Apr	1550	1538	1560 1550
won deliv suger (white)	\$305=	-2	3200 3400		200 113	178 121	140 251	354 523	Jul Bři	1345 1488	1340 1490	1369 1345
e and Lyle export price		-2.5										
rley (English feed)	£109 £126	-1							IUmove	7 227 (38	e)	
ize (US No. 3 yellow) est (US Derk Northern)	£120 £111.75	+0.76						$\overline{}$				
	57.50p	+ 1.25	TEA	a were 20	,436 packag	es en	offer a	t this	GRANS	CAnnon		
bber (spot)♥ bber (Jsn)♥	62.50p	+1.25	week	is auction.	Including (100 lm t	he offi				Candana	LE-LO
ober (Feb) 🎔	63.50p	+1.25 +3.0			s the Tea 8 est liquerin			al	Wheat	Close	Previous	
ober (KL RSS No 1 Jan)			dust	grades m	et strong de	mand	at firm	, 1	Jen Mar	109.40 113.00	109.56 113.25	108.40 109 113.00 112
conut oil (Philippines)	\$570z \$405	+2.5			ums shed 4 hdrawals. E				May	116.30	115.40	116.30 110
m Oil (Maleysian)š pra (Philippines)š	\$360				nd were offe				Jun	117.90	118.00	117.90 117
rabeane (US)	\$176	+0.5 +0.50	Afric	ens ceme	in for keen	сопир	atition,	. 1	Nov	104.30	104.10	104.30 104
ton "A" index oltops (64s Super)	60,45¢ 600p	T-4-3V	parti	cularly be	ther medium ip deerer, s	ometi-	, 200 t	NO.				
tonne unless otherwise		nce/ka	Cent	ral African	ns also rece	dved g	ood su	ipport	Barley	Close	Previous	High/Low
tonne unless otherwist ents/lb. r-ringgit/kg. 2-i	Decition wi	lov/Dec	and	moved his	ther by a sk	milar s	וחטטרוו	L 1		105.75	105.75	105.75 10
ents/lb. r-ringgrukg. 2-1 an/Mar. u-Mar. q-Jan.	tMest Com	mission	Coyle	ons met te dearer. w	ur enquiry v Unothers in	روايان پې بىلام	. The	small	Jen Mar	109.00	109.10	109.10 10
en/Mar. U-Mar. Q-Jail. Prage fatatock prices. " (change from	a wook	quan	aity of offs	hore leas v	rere ur	reold.	- 1	May	110.85	110.90	110.85 110
. CO I	rket GCIF Ro	tterdam.	Quot	ations; qu	elity 160p († w medium †	180p), (78a /73	pediui St	₽ 				, Barley 104
Builton market close. M	-Malaysian C	ents/kg.	JULP	(IOOD), IO		A It C	- -		Turnove	r lots of	100 tonnes	.

Cesh	2415-2 2330-5		2510-20 2408-10	2400/2335	2460-5 2365-70	2350-5	22,263 lots
3 months			per tonne)	-W235	2005-10		burnever 4,050 tor
Cash Dec. 21	1245-5	5 5	1306-15 1290-300	1275 1268	1270-5 1260-5		6,347 lots
	Grade A					Ring to	mover 37,200 tor
Cash 3 months	1890-6	5	1965-70 1697-8	1925/1918 1658/1631	1924-8 1856-7	1637-9	69.024 lots
	S cente/fi						Ring turnover 0
Cash	608-11		611-3		614-6		
8 months			624-7		628-30	Dies 6	438 lots turnover 7,200 to
Cash	ser tonne 390-1	,	407-9	398/397	367-8	пин	EI1016 7,200 &1
3 months			396-7	395/381	389-9.5	384-6	11,438 fots
	per tonn						turnover 834 to
Cash 3 month		-400	15400-500 13500-600	14800 13400/1815	14700-80 0 13200-50	13300-400	
			S per tonne)		4005.40	Ring	turnover 1,800 to
Cash 3 month	1620-0 1560-0		1655-65 1590-5	1570	1605-10 1565-70	1580-70	1,484 fota
Zinc (\$ p	er tonne)	1				Ring	turnover 7,250 to
Cash 3 menth	1620-8 1535-4		1650-60 1568-70	1605 1545/1535	1605-7 1535-7	1535-40	11,595 lots
POTATO	ES E/lone	ne			LONDON #	ULLION MARK	ET
	Close	Previou	s High/Low		Gold (fine cz	\$ price	2 equivalent
Feb Apr	65.0 95.9	88.0 96.8	60.0 96.3 95.1		Close Opening	428 4 - 429 4 429 4 - 429 4	229 4 - 229 4
Mey	111.5	1124	111.8 111.		Morning fix	430.4	230.160
Turnove	r 23 (47)	lots of 4	C tonnes.		Afternoon fo Day's high Day's low	425,00 430 ³ 4,-431 ³ 4, 425 ³ 2-429	229,449
SOYABE	AN MEA				Coine	\$ price	freisviupe 3
Dec	157.00	Previou 156.50			Maplelest	441-448	235-239
Feb	163.00 162.00	161.50	157.00 163.00 163	r.00	Britannia US Engle	441-446 441-446	236-239 236-239
Apr Jun	153.00	161.00	162.00 153.00		Angel Krugerrand	440-445 428-431	235 ½-238 229-231
Титроче	r 70 (141) lots of	20 tonnes.		New Sav. Old Sav.	101-102 101-102	54-54% 54-54%
					Nobie Plat	623.20-630.35	333.25-337.10
FREIGH	C FUTURI	IS \$10/ in	dex point				
	Close	Previou	s High/Low		Server fix	p/fine az	US cts equiv
Dec	1483	1478	1496 1476		Spot 3 months	331.10 341.80	618.85 633.16
Jen Apr	1510 1560	1503 1558	1520 1505 1560 1550		6 months	362.75 373.85	547.65
Jul Bri	1345 1486	1340 1490	1369 1345		12 months	3/3/80	676.60
	7 227 (38						
111111111	,	-,			CRUDE OIL		
						Close Previo	
GRANS		<u> </u>			Jan Feb	14.39 14.50 14.20 14.30	14.45 14.27 14.27 14.13
Wheat	109.40	Previou 109.53	## High/Low 108.40 108		IPE Index	14.38 :14.49	10/7
Jen Mar	113.00	113.25	113.00 112	L95	Turnover: 25	us (3387)	
May Jun	116.80 117.90	115.40 118.00			GAS OIL SA		
Nov	104.30	104.10			Cic		High/Low
						50 143.00	144,00 142,25
Barley	Close	Previou	s High/Low		Jen 139	.50 139.75	140.25 138.60
Jan	105.75	105.75	105.76 105		Mar 133	.50 139.25	137.25 135.76 138.50 131.60
	109.00	109.10	100.10 108		Apr 131	.00 130.25	131.00 129.75
Mar May	110.85	110.90	110.85 110	LBO	May 128	LOO 127.50	120.00 127.25

	. fisheros	gained 2	29 in Mai	ch due			
most!	v to etc:	ady Lond	on prices	and		Latest	Prev
ficeu	y io siei	g. The su	ger end	coffee	Jan	4885	4896
mork	eto wari	feature	ess. The	grains	Feb	4785	4797
hed r	rofessic	mal sellir	n in all	narkets.	Mer	4505	4588 4368
Sove	hoane n	osted the	largest (decline	Apr May	4350 4230	4243
tellin	n 12 cen	ts in Jan	UBIV.		Jun	4175	4178
Pendi	-taking	was note	d in the s	юуареал	Jul	4140	4163
COUNT	lex. We	ekend rai	ns came	88	COCO	A 10 tonn	es:S/to
expe	cted in S	South Am	erica. In	the meat		Close	Prev
mark	ets, trac	ing was	atanimot	d by			
local	s with U	aht volun	18 886UL	i he	Dec	1440 1485	1421 1463
enero	sv mark	ets drifted	i lower a	ater	May	1486	1486
local	traders	failed to	rally the	markets	Jul	1490	1474
early	in the d	lay. Volu	ne for th	e day	Sep Dec	1496	1480
W85 1	well bei	SWITTON WC	al. Cotton	prices	Dec	1510 1531	1490 1513
were	विकास की	cughout t	the sessi	On as	May	1646	1526
COM	nission	houses a	upported	the		E *C" 37	SOOR
mark	et Trad	e groups	noted th	at a tight	-		
		ion was t	secoming	J		Cicse	Prev
appa	rent				Dec	125.40	124.6
	•				Mer	123.56 122.20	123.0
	•				May	120.85	121.
Пę	w Y	OFK			Sep	120.25	120.5
					Dec	119.73	119.5
GOLD	100 troy o	2.; % TOY 0			Mar	119.10 118.10	119.5 119.5
	Close	Previous	High/Low		Mey		
Dec	429.3	431.7	432.0	428.9	SUGA	R WORLD	_
Jen	432.0	434.5	0 438.6	0 433.8		Close	Prev
Feb	434.2 439.8	436.7 442.2	430.0 442.4	438.3	Jen	10,81	11.01
Apr Jun	445.5	447.9	447.8	445.0	Mor	11.43	11.5
Aug	451.4	453.8	463.5	453.0	May	11.06	11.20
Oct	457 A	459.8	458.5	458.5 482.5	Jul Oct	10.78 10.48	10.74
Dec	463.4 434.2	465.8 436.7	465.8 436.6	433.8	Jen	9.46	9,48
					Mer	70.23	10.4
PLAT	NUM 50 tr	oy az, \$/tro	y ôż.		COTT	OM 50,000	: cent
	Close	Previous	High/Low			Close	Prev
Jan	612.1	615.9	620.0	610.0			
Apr	600.1	603.9	806. 0	800.0	Dec	59.35 57.00	58.7
الأتال	597.1	601.4	601.4	588.0	Mar May	87.96 58.07	57.8 57.8
Óœ	595.1 596.6	800.4	602.0 601.5	596.0 601.5	.bay	58.35	57.7
Jan		603.9			Oct	57.82	57.6
SILVE	R 5,000 tr	oy cz; centi	Virgy OZ.		Dec	57.82	57.7
	Close	Previous	High/Low		Mar	57.60	57.5
B	616.3	619.0	620.5	614.0	ORAN		15.00
Dec Jan	621.1	623.6	621.0	521.0		Close	Prev
Feb	625.8	628-3	0	0	10.0	163.95	164.
Mar	631.0	633.5	635.8	628.5	Jan Mar	162,70	163.7
May	641.5	644.2	645.5 657.0	640.0 650.0	May	163.20	164,
-Jul	652.0 662.2	654.8 665.0	665.0	684.0	Jul	164.00	165.
Sep Dec	677.9	680.5	682.0	678.0	\$ep	163.10	163.
Jen	682.6	686.6	0	0	Nov	161.35	161.
Mer	684.4	697.4	6.389	696.0	Jan	157.50	157.
COPP	ER 25.000	ibs; cents/	lbs		HE	-E2	
			High/Low				•
	Close	Previous			HIEU	TERS (Ba	
Dec	150.80	150.20	152.50 143.90	148.86 143.50	1	Dec 2	De
Jan Seb	144,30 138,60	143.20 137.20	143.90 0	743.30 O	1-	1878.0	18
Feb Mar	138.50	137.20	134.70	129.70	1		
May	124.70	123.70	125.00	122.50	1	JONES (
Jul	120.70	120.00	121.50	119.60	Spot	135.4	
Sep	118.00	117.50	117.50 0	117.50 6	Futu	res 139.9	13
Dec	115.30	115.00	_	•			

						_			-
DĒ	Off. (Lig	hi) 42,000 L	IS galls \$/t	errel	Ch	icag	0		
	Latest	Previous	High/Low		BOYA	REANS 50	00 bu min; c	ente/60lb bu	hel
	15.54	15.64	15.68	16.52		Close	Previous	High/Low	
	15.25 15.18	15.39 15.30	15.42 15.34	15.24 15.18	1				756/
	15.15	15.25	15.26	15.15	Jen Mer	756/6 769/2	768/6 780/6	772/4 784/4	798/1 788/1-
	15.19	15.23	15.25	15.18 15.25	May	774/4	783/4	789/2	773/
	15.16 15.17	15.22 15.21	15.25 15.25	15.22	أزول	773/0	782/4	787/0	77214
	15.23	15.20	15.29	16.23	Aug Sep	763/4 711/0	770/0 714/4	774/0 723/0	763/ 711/
	16.30	16.19	15.36	15.30	Nov	678/0	681/0	691/4	678/
Ŀ	15,25	15.19	15.25	15.25	Jen	685/0	688/0	700/0	005/0
	Q OIL 42	,000 US ga	ils, cente/U High/Low	6 galle	SOYA		60,000 lbs; c		
_			4925	4875		Close	Previous	High/Low	
	4585 4785	4898 4797	4820	4775	Oec	22.50	22.72	22.85	22.3 22.5
	4585	4588	4610	4560	Jen Mer	22.64 23.17	22.92 23.47	23.05 23.60	23.0
	4350	4368	4390	4345 4215	May	22.63	23.96	24.05	23.5
	4230 4175	4243 4178	4270 4175	4155	Jul	24.05	24.42	24.47	23.9
	4140	4163	4140	4140	Aug Sep	24.12 24.15	24.47 24.55	24.57 24.60	24.10 24,10
ò	10 tonne	es;\$/tonnes	· ·		Oct	24.15	24.55	24.65	24.1
	Close	Previous	High/Low		BOYA	Bean Me	AL 100 tons;		
	1440	1421	1440 1489	1421		Close	Previous	High/Low	
	1485 1486	1463. 1486	1489 1487	1463 1467	Dec	241.9	244.7	247.0	241.2
	1490	1474	1490	1472	Jan Mar	243.3 243.4	248.6 245.7	248.9 248.0	243.0
	1496	1480	0	0	May	240.7	243.7 242.5	244.3	240.
	1510 1531	1490 1513	0	8	Jul -	236.0	236.0	235.5	235.0
	1646	1526	č	ŏ	Aug Sep	228.0 218.5	226.2 218.0	231.5 220.0	228.0
	= -C" 37.	500fba; cer	ds/lbs		Oct	208.0	207.0	208.0	206.
_	Close	Previous	High/Low			. 5,000 bu	min; cents/5		
_	125.40	124,60	125.50	124.60		Close	Previous	High/Low	
	123.56	123.66	124.15	129.25	Dec	252/4	258/6	259/6	262/
	122.20 120.85	122.17 121.16	122.90 121.60	121.76 121.10	Mar	265/0	268/6	270/0	264/
	120.25	120.53	120.25	120.00	May Jul	269/6 272/6	273/0 275/6	274/4 276/6	260/ 272/
	119.73	119.53	119.50	119.50	Sep	258/4	260/0	262/0	258/
	119.10 118.10	119.36 119.13	8	0	Dec	253/2	255/0	255/8	253
_			QO lbs; can		WHEA	T 5,000 bu	min; cents/	BOIb-bushel	
					44	Close	Previous	High/Low	
	Close	Previous	High/Low		Dec	413/6	419/0	420/0	413/
	10.81	11.01	0 11.54	0 11.37	Mar	413/4	419/6	420/4	413/
	11.43 11.05	11.54 11.20	11.19	11.03	May	388/4	403/0	404/0	3964
	10.76	10.94	10.91	10,76	Jul Sep	372/6 377/4	377/4 382/4	379/4 383/0	372/ 377/
	10,48	10.74	10.70 0	10.46 0	Dec	388/0	393/0	392/0	3884
	9.46 10.23	9,48 10.45	10.48	10.48					
70		cents/fbs			LIVE		.000 lbs; can		
_	Close	Previous	High/Low			Close	Previous	High/Low	
	59.35		· 59.70	59.10	Dec	71.40	71.50	71.77	71.00
	57.96	57.88	59,47	57.70	Feb Apr	71.35 73.17	71.45 73.10	71.70 73.30	70.9
•	58.07	57.63	68.75	57.89 '	-jun	71.77	71.75	71.90	71.5
	58.35 57.93	57.75 57.65	56.95 58.15	57.90 ·	Aug	69.75	69.62	69.65	69.4
	57.82 57.82	57.65 57.75	55.15 55.30	67.75 ° 57.70	Sep	89.20 89.77	69.20	Q	0
	57.60	57.56	0	0	Çet Dec	69.77 70.00	68.77 70.00	69.00 6	68.7 7
×		15.000 lba	; cente/fee	-			00 its; cents/		<u></u> -
	Close	Previous	High/Low			Close	Previous	High/Low	_
	163.95	164,70	164.60	163.50	Dec	40.77	40.36	40.92	40,1
	162.70 163.20	163.75 164.65	163.45 164.16	161.75 163.00	Feb	44.47	43,82	44.66	43.7
	164.00	165.00	166.50	163.85	Apr Jun	43.42 47.72	42.85 47.32	43.80	42.8 47.1
	163.10	163.25	0	8	Jul	47.80	47.87	47.80 47.97	47.2
	161.35	161.05	161.00	161.00	Aug	47.25	46.67	47.30	48.7
	157.50	157.25	Ο.	0	Oct	44.55	44.12	44.70	44.0
a k	:53		-		Dec	45.30	45.05		. 0
UT	ERS (84:	se: Septem	ber 18 1931	= 100)	FURK	Close	38,000 lbs; c	High/Low	
	Dec 2	Dec 1	ರಾಯಿ ಖ	угадо	F-5				44.
-	1878.6		1883.6	1703.3	Feb Mar	45.57 48.12	45.37 46.02	46.20 46.65	44.8 45.4
					May	47.80	47.60	40.00 46.20	47.1
_		_	31 1974 -	_	Jul	48.87	48.52	49.20	48.2
ot	135.43		137.34	129.54	Aug	47,37	47.15	48.00	46.
mu	ss 139.95	139.82	140.81	131.07	Feb	48.00 46.00	0	46.00 46.00	42.0 42.0



LONDON STOCK EXCHANGE

Equities rally sharply in late trading

Steel, the latest UK privatisa-tion issue, dominated the UK stock market yesterday. Although the market premium on the British Steel issue proved a disappointment for the private investors who flocked last week to apply for shares, the rest of the market rallied from mid-session losses in response to an unexpectedly

ABER 6 1988

chief

gan: fa. Diele William English

RESIDENCE OF

The Company of

AND ED ED STAN

because years because or 12 per series to 200 miles in a 12 per series in a 12 per series

THAT BENEFIT

Mesi Course Sed

Mich & Server

the witer as

Single E. Brieffere

inter The Control of the Control of

d of the month

scheme.

in test of rise of

S to come and

P Fee Comme

1 10 30 31 21

COLDS ME TOTAL

And Continued to the second se

it is best in

band made

foreign mile te

in general abbasemple

Total and the

12.0 at a a

पत्र क्यां प्रवास है

to forter mer

dieses. Brief wi

anderá sou Abete

State to the manager

Ot and in the

per mine in

i stopped

March 1990s

gen was as as assume

gress water a Ari

स्रोत्स्य 🕝 आसः 📭

ます。この マー DIESEE

<u>अञ्चलकाः स्टब्स्ट</u>

to the many lies.

grade graditation

建三氯甲烷 计正常

<u>ಟ್ರೀಬರ್ಕಿಯಲ್ಲಿ</u>

Trees to the

£ 13

್ತಿಗೆಯಡ್ಡಾ,

S120 1751 71 W

strong opening on Wall Street.
The equity market opened nervously after a weekend in which both press and City commentators stressed the dangers of further upward pressures on interest rates on both sides of the Atlantic. The message was pressed home at

Accoun	t Dealing	Dates
First Dealings:	Dér 12 (Doc 25
Option Declarati	Dec 22	Jan 12
Lest Dealings: Dec 9	Dec 23	Jan ta
Account Days Dec 19	Jan 9	Jan 23
"New Stee deals	ngs every take	

mid-morning by the announcement of the revised retail sales figures and consumer credit data for October. Both seemed to indicate continued consumer spending pressures, and thus fuelled fears that base rates might be forced higher

Meanwhile; firmness in ster-

ling, while doing little to the day's lows.
reduce fears of higher interest Wall Street's rates, depressed the blue chip export stocks. By mid-session. the equity market looked very drab, with the FT-ST Index down by 16 points. Turnover was thin, however, and traders discounted hints of a sell programme in the market.

Share prices staged a mild rally until the commencement of dealings in British Steel, which was held back until 2.30pm so as to co-ordinate with the US markets. With the first deals in the new steel issue showing a disappointingly small premium, equities began to turn off rapidly and share prices soon returned to

Hughes of Hoare Govett. Carless Capel, where Kelt is

bidding 115p a share, jumped 3

to 120p after it was confirmed

that Irish oil group Aran Energy is holding talks that could lead to a counter-bid for

Carless. Aran shares were suspended at the outset of trad-

ing on the Dublin Exchange and simultaneously in London. Talk in the market yesterday was that Aran may well make

a bid worth 125p a share for

Carless, but there were worries about a possible Aran rights

issue with backing from Amer-

A major rally took place in the leading oils. Shell, still bol-stered by buying ahead of the

two-for-one scrip, closed 7

higher at 980p. Enterprise bounced strongly and settled 3

higher at 481p, after 467p, with dealers speculating on possible news of the sale of LASMO's

International stocks ended

Glaxo led the rally to end

minimal changes. The biggest

turnover was seen in Lloyds

25.2 per cent stake.

ica's Chevron.

Nov Dec

caught some London traders consumer spending is beginunawares, and the blue chips were marked higher very quickly as market makers sought to fend off the transatlantic buyers. By the end of trading the fall in the FTSE Index had been cut to a mere

3.4 points at 1761.6. Turnover jumped to 645.4m shares from Friday's 486.3m, but was hoosted by the new steel issue. Turnover of 251m shares in British Steel easily topped the market's active stocks list.

The turnround in yesterday's stock market left many analysts somewhat perplexed.

Wall Street's opening burst major retail companies that ning to slow down have left some equity market specialists concerned that another hike in base rates is by no means out of the question.

These concerns have been fed by reports of pressures on the Federal Reserve to increase its discount rate, a move which would mean similar pressures in London. Consequently, the UK market was surprised, albeit pleasantly, by Wall Street's opening strength. Nevertheless, the sharpness of London's response last night indicated the nervous mood of the market.

closed a shade up at 162p. Bejam, which fell sharply at the end of last week following the revised hid from Iceland The following is based on trading volume for Alpha securities dealt through the SEAO system vesterday until 5 pm.

line with market expectations, was not sufficient to buoy the shares and they finished 10

down at 310p. Dobson Park, which produced profits up 25.5 per cent, put on 3 to 99p.

British Aerospace has been suffering recently from fears about the effects upon its business. ness of the strengthening pound. But the shares recovered 9 yesterday to 439p as the market digested talk of possi-

ble links with Thomson of

France.

Stores slipped lower as the 2 per cent rise in retail sales in October knocked hopes that the monetary squeeze on spending might be relaxed. Press speculation that US arbitrageur Mr Asher Edelman has acquired 5 per cent of Store-house kept the Conran group in the limelight. Trading was lively as nearly 6m shares changed hands and the consensus among dealers was that

Since Compliation 30 29 2 1 Ago Low High Low Government Secs 87.03 86.96 86.94 **86.96** 86.97 (12/9) (9/1/35) (3/1/75) 98.67 105.4 50.53 1450.2 1458.0 1455.4 1279.3 1349.0 1928.2 49.4 (8/2) (16/7/87) (28/8/40) 162.7 734.7 43.5 (22/9) (15/2/83) (26/10/71) Gold Mines • S.E. ACTIVITY

FINANCIAL TIMES STOCK INDICES

Ord. Di. Yield Earning Yid %(full) P/E Ratio(Net)('a') SEAG Bargains(5pm) Equity Yurnover(Em)t Equity Bargainst 4.97 12.59 9.59 20,702 1018.28 20,839 411.5 5.02 12.71 9.50 24,971 12.69 9.52 20,845 1023.53 9.84 21,642 1006.29 21,928 838.02 21,544 444,8 Ordinary Share Index, Hourly changes

Opening 010 am, 011 am, 012 pm, 01 pm, 02 pm, 03 pm, 04 pm, n/a 14380 1436.7 1429.1 1427.5 1429.9 1431.1 1437.5 DAY'S HIGH 1443.3 DAY'S LOW 1427.3

Gift Edged Bargains 89.8 106.1 Equity Bargains Equity Value 2058.2 109.3

1913.9 2058.4

London Report and latest

Steel "stags" dismayed

First dealings in British Steel , 940 proved a serious disappointment for the stags, with the 60p partly-paid shares achieving only a 2%p premium, a long way short of the most optimistic expectations. However, the final outcome was described by equity specialists as, "reasonably successful in current market conditions", with around 5 per cent of the

equity changing hands.

The first deal after trading opened at 2.30 pm was struck at 63p for 2,900 shares, but this price was not seen again and some marketmakers later bid as low as 58%p for stock as huge turnover developed. At the closing price of 62%p, the premium of 2%p, compared with forecasts of a 7p or 8p premium last weekend.

Trading was extremely heavy, with 5m shares trading in the first minute, 51m within 5 minutes, and 104m within 10 minutes. By the close, 261m had turned over. Dealers said the trading pattern indicated, "some shuffling of institutional holdings, although several major funds are believed to have stayed out of the mar-ket. Little private investor business was reported.

Shortly before trading began, the IG Index, which invited customers to guess the first. day's closing premium, stood at 62%p-64%p. However, much of yesterday's business was done at prices between 61p and 62p, with 61p proving the suptled to keep pace with the flow of 2m athi Sarphus drame bargains. Trading was so intense that for some time the Seaq strip, which shows best offerbest bid prices, showed no

Goldman Sachs, the US

Jaguar active

If Jaguar cars ran on specu-lation instead of petrol they would be the fastest cars on would be the fastest cars on the road at present. The shares outstripped the market yester-day on hopes that the British car maker, long seen as a tasty morsel to be swallowed by one of the international car groups, is shortly to be the subject of a is shortly to be the subject of a dawn raid by a European company. The stock went into overdrive first thing, up 17 to 280p, before finishing 13 better at 276p.

Active trading in the options market recently has been accompanied by speculation

accompanied by speculation that Volkswagen may have

FT-A Ali-Share Index **Equity Shares Traded** Turnover by volume (million) 500 300

Oct Nov Dec

built up a 3½ per cent stake in Jaguar. There was also uncon-firmed talk last week that a bidder wanted 5m Jaguar

Hoare Govett expressed the view yesterday that the shares are over-valued and are only being kept at current levels by market hopes of stake-building. ahead of December 31, 1990 when two special factors, the UK Government's golden share and the 15 per cent limitation on shareholdings, both expire. Mr David Blackwood of Hoare Govett said: "On fundamentals I think Jaguar is overvalued. But I recognise that stakebuilding ahead of the 1990 dead-line has held sway".

Ward White down

Yet another downgrading in the beleaguered Stores sector saw Mr Nick Bubb, senior analyst at Morgan Stanley, lower his profits forecast for Ward White from £79.5m to £77m for this year and from £97m to £94m for 1989/90. The downgrading was not at the behest of the company, although Mr Bubb did speak to Ward White charman Mr Philip Birch dur-ing the day. Ward White shares closed down 8 at 223p. The slowdown in div spending and its effect on the group's Payless dry subsidiary was behind the change. The downgrading was in line with other City forecasts and reflected the market's concern that Ward White's plans to cre-Goldman Sachs, the US investment house, appeared to be a determined buyer and for a time stood alone on the hid: side, offering 60%p for shares.

Halfords stores in 1989 could rebound on the group if consumer spending fails to pick up. "If the diy market doesn't recover there is every chance that Ward White's margins could be squeezed given the new space on stream next

where the shares, having edged up to 334p early on, fell away to 330p before closing fraction easier at 381p; turnover was Merchant banks came back across the board, with selling triggered by stories of big losses among securities operations during recent weeks and particularly last week. Morgan Grenfell, where there year," warned Mr Andrew **NEW HIGHS AND LOWS FOR 1988**

NEW HIGHS (7).

RANKS (2) TSB Courses blands, CLF 61, pc
Cv. Pt., NDURTHRALE (2) Rediart Mater.

Sharics & McEwan, PROPERTY (1)

Shadisebuly, TRUSTS (1), Candover tow.

PLANTATIONS (1) Angle-East Plants.

NEW LOWS (15).

AMERICANS (1) Eston Corp., CAMADHAMS
(1) Sonora Gold. RANKS (4) Hambros.

Kleinwort Sanson. Lon. Scot. Bast, Res.

Bros., Bull. DMGS (12) CHESICALS (2) Astro.

Ridge., Engeliard, Thurger Bardex, STORES
(8) Ashley (L.), Brown (N.), Dewhirst (L.),

Lowardes Chairy, Mallett, PML, Summer

Int'L, Ward White. ELECTEGALS (12)

ENGRESCHING (4) Hebt Precision, Hobson,

Locher (1) 'A' Ne. Hidgs., FOODS (8) Acases

& Hutcheson, Gateway Corp., Hillsdown

Hidgs., Hunter Saphir, Park Food, Tesco,

INDUSTRIALS (198) Shusbird Toya, Coloroli, Elswick, Henritz (J.), Myson, NirW Contro, Nortron, Pargamon ASB, Rased Ext., Spring Ram, 17 Grp., Tensaria, Tech. Project Syv., Tensities, F.A. (Sec. C., Pf., Weissley, Y784, SSURANCE (2) Frait Viniter Spc Pt., Hisc. Sports, Nires Parlish (1) Barbour Index, PAPERS (8) PROPERTY (7) Connede Sci. Agas, Cons. Tem. Riva., McInerry, Merchant Manut. Ests., Parletsie Hidgs., Rockiott, Sheid S. Sep Net Cv. Gn. Pt., SHEPPING (2) P. & O. Sub Wirms. '29-'92, Oo. 6-type Cv. Rd. Pt., TEKTILSE (1) Lowe (R.H.), TällSTE (1-6) CVERSEAS TRADERS (2) Antologists Spc Pt., Nesco Inva., Mellers.

have been suggestions of major retrenchment at the bank's marketmaking operations. slipped back 2 to 299p. Life assurances rallied well

towards the close. Composites insurers made rapid progress to close with good gains over-all after Warburg Securities was said to have taken a more bullish stance towards the sector at presentations in Glasgow and Edinburgh. After a visit to the US War-

burg analysts believe price cutting among property/casualty insurers there is decelerating and that the down cycle could therefore be close to touching

Royal Insurance were particularly well bid late in the day and settled 5% up at 362%p, while General Accident added 41/4 at 8221/4 p.

The Brewery sector featured plenty of talk in Bass, due to report interim results on Wednesday. The range of forecasts is from £435m to £450m, with County NatWest Wood-Mac going for £445m. Several brokers have recently down-graded their forecasts. Turnover in Bass expanded to 1.2m sterday as the shares lost 4

to 779p. Grand Metropolitan shaded a penny to 445p in thin turn-over after the company announced that it now holds over 88 per cent of Pilisbury shares. There was also unconfirmed talk that Grand Met may be about to unveil a deal with the West German restaurant group Wienerwald.

the session with a collective sigh of relief. Wali Street's The building materials issues drew a measure of supstrong performance stopped the day from turning into a port at the lower levels and included a handful of firm features; Caradon closed 4 to the just 2 lower at 1053p, while ICI was 3 down at 970p. Beecham good at 3220 after revealing interim profits. was steady all day and eventu-ally rose 4 to 455p.

The clearing banks fell away but later rallied with the rest of the market to close with

Housebuilder Bryant Holdings, heavily sold last week after some severe profits downgradings - Citicorp Scrim-geour Vickers moved down from £50m to £53m and BZW from £62m to £54m - steadied and closed 2 up at 98p.

GEC topped the list of active stocks in the electronics sector hands; the company's interim figures are expected today with Prudential-Bache's Richard Johnson forecasting pre-tax profits up some 8.5 per cent at £308m.

Plessey, where GEC and Siemens have launched a joint bid of 225p a share, ended a shade firmer at 210p. Racal Elecinterim figures due next Tues-day and settled 41/2 lower at

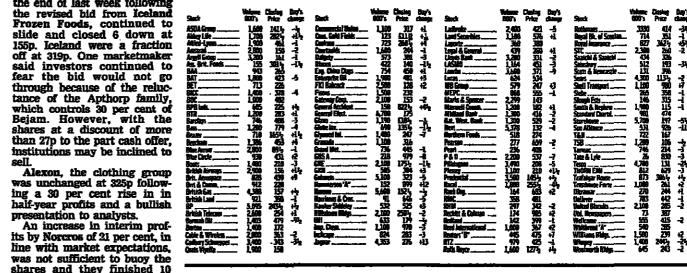
The second-line issues included one of the day's worst performers in AB Electronics which plummeted 50 to 373p as the market realised the extent of the chairman's warning on

profits at the agm.

Among food manufacturers,
Unigate remained strong on

Gilt Edged Bargains 101.5 Equity Bargains 143.8 Equity Value 1913.9 Basis 100 Govt. Secs 15/10/28, Fixed Int. 1928, Ordinary 1/7/35, Gold Mines 12/9/55, SE Activity 1974, ANII 9.46 †Excluding intra-market bush

TRADING VOLUME IN MAJOR STOCKS



although Edelman could well have a stake, it is unlikely he will use it to launch a bid. After a bright start the shares

ended 5½ weaker at 197p.

Body Shop dropped 22 to 516p as speculation mounted that the company will announce bad news on the trading front fairly soon. Lowndes Queensway fell 3 to 49p amid talk that the group may have to halve its planned

30 dividend this year. Hammerson bucked the wider market trend amid speculation that Far Eastern property group Hongkong Land has been lined up as a "white knight" to foil the hostile bid from Dutch group Rodamco. Hammerson "A" shares closed 9 better at 929p and the ordi-nary shares 12 firmer at 899p. In the Leisure sector, Brent

Walker stole the headlines, falling 9 to 314p amid confident talk that it has arranged a bid for the Tolly Cobbold and Cameron pub chains owned by the Barclay brothers. The £235m deal was said to depend on the sale of Brent Walker's casino division for around

£150m. The debut of flower distribution group Channel Express proved a minor success. The group's 2.85m shares were placed at 70p, immediately opened a few points higher before ending the day with a 8

pence premium at 78p.
Turnover in traded options
reached reached its eighth highest total ever, at its ordinary closing time, of 4.05 p.m., of 60,088 contracts, and with trading in British Steel boosting business further by the

tory closing time of 5 p.m. By the close of all dealings, British Steel options contracts had reached some 20,000 contracts, representing 1,000 shares apiece, with call contracts outweighing put roughly in the ratio of 11 to 8. Jaguar stole the Steel thunder, however, on the much smaller total of 5,375 contracts, divided between 5,151 calls and 224 puts. The overall business in standard hours lay in 31,867 calls and 28,221 puts. There was again heavy trading in the FT-SE 100 index contract, a total of 15,247 contracts consisting of 3,407

expiry of its special, introduc-

calls and 11,840 puts. ■ Other market statistics, including FT-Actuaries Share Index and London Traded Options, Page 33

。 1. 一种人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们就是一个人,我们

COMMERZBANK 382

German Index **Fund**

APPOINTMENTS

Senior posts at General **Accident**

Mr Norman Graham, general manager and chief actuary of GENERAL ACCIDENT LIFE and General Accident Linked Life, is to retire on December 31. He will be succeeded on January 1 by Mr Jack Philip, deputy general manager. Mr Bill Jack, marketing manager of General accident, has been appointed assistant general manager (IIK) from January 1. (UK) from January 1.

Mr David Head and Mr Mr David Heen and mr
Adam White, both formerly
of Shearson Lehman Hutton,
have joined COUNTY
NATWEST WOODMAC's European trading team as a director and assistant director respectively.

INSTITUTORM GROUP has appointed Mr David S. Lewis as chief financial officer, succeeding Mr Toby Ramsden, who remains corporate secretary. Mr Lewis, who was with General Electric Company, US, also assumes the new post of general manager, Americas operations.

😦 Mr David Bull has been appointed a non-executive director of EXPORT NETWORK. He is director of data services at Cable &



SERVICES GROUP has appointed Mr John Penny as director, UK operations, with responsibility for the following the companies: Hill ing group companies; Hill Samuel Life Assurance, Hill Samuel Personal Finance, Universal Credit, Hill Samuel Unit Trust Management, Hill Samuel Private Client Management ment, Robert White & Co. and Hill Samuel Investment Services. He joins from TSB Group where he has been assistant director, corporate development since 1987.

GIROBANK has appointed 'Mr Derek Whittingham as head of credit and risk. He was senior corporate banking director with Midland Bank. Mr Gerald Gregory has been appointed to the new post of strategic planning manager. He was assistant treasurer.

appointed Mr Graham D. Pritchard as managing director. He was marketing

■ UNITED BISCUITS has

made the following appointments. Mr Martin

Lawrence becomes managing director of UB Chilled Foods, a division of UB (Ross Young's). He was sales director of the biscuits division and managing director of the export division of UB Brands. In the UB Brands' biscuits division Mr John Gilliatt becomes deputy managing director from manufacturing director; Mr Alan Coates to sales director from sales and marketing director of KP Foods' own brand division; Mr Alan Palmer to managing director, export and continental Europe, from managing director, UB Continental Businesses; Mr Mark Laing, production director, and Mr Graham Pinkerton, technical director, are appointed to the board.

m RACAL-CHUBB SECURITY SYSTEMS has promoted Mr David Mitchell, formerly operations manager, to operations director, and Mr Daniel Williams, formerly engineering manager, to director of systems. engineering.

■ Mr Colin Thomas has been appointed financial director of BROHOME, near Caerphilly.



STANLEY TOOLS has appointed Mr Robert DePatie as managing director. He suc-ceeds Mr Noel Williams who will remain as a consultant until his retirement at the end of March. Mr DePatie was president and general manager of both the the steel and strapping systems divisions in the US.

■ Dr Gary Vanstone has been appointed managing director and chief executive of the RACAL-REDAC group. He was managing director of Racal Research and Racal Microelectronic Systems.

■ Mr John E. Jackson has been appointed to the board of THE BODY SHOP. He joins from The Healthcare Foundation, where he was chief executive of the trading

New – for institutional investors

Institutional investors can now benefit from a new product, the CB German Index Fund. It provides them with an ideal opportunity to participate in the development of the German stock market, while · eliminating the expense of research into individual shares and minimizing transaction costs.

The Fund - The CB German Index Fund is an open-end investment fund established in the Grand Duchy of Luxembourg.

The Objective - The objective of the fund is to invest in a diversified portfolio of German equities matching the overall performance of one of West Germany's leading stock indices, the Commerzbank Share Index. Computed by Commerzbank, one of the Big Three German banks, it is the country's oldest index available on each bourse trading day. Currently,

the CB German Index Fund represents some 85% of the market capitalization and close to 90% of the stock exchange turnover of the 60 shares included in the index. The Manager - CB German Index

Fund Management Company S.A., Luxembourg, manages the fund, develops its overall investment strategy, and handles its day-to-day adminis-

The Investment Adviser - Commerz International Capital Management GmbH (CICM), a Frankfurt-based Commerzbank subsidiary specializing in the application of quantitative models of portfolio management, acts as the fund's adviser.

The Custodian Bank - The custodian bank for the fund is Commerzbank International S.A., a Commerzbank subsidiary registered in LuxemMinimum Initial Investment -DM 1,000,000.

For complete information about the CB German Index Fund and its advantages for institutional investors, please contact the fund manager in Luxembourg, or get in touch with any Commerzbank office.

CB German Index Fund Management Company S.A., 11 rue Notre Dame L-2240 Luxembourg Phone: 473213 Telex: 2705 cbklux lu/3462 a cbklx lu Telefax: 477911-270



German knowhow in global investment banking

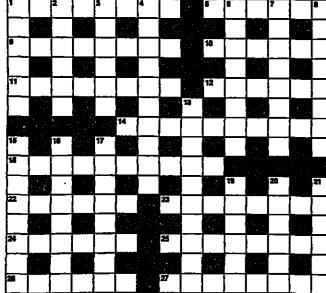
Communication Resident December 1988 (Communication of the Communication of the Communication

Anthony Wieler Unit Tst Mgmt Ltd (1000)F 19 Widegste St, Lundon El 7/H Growth Become 5 97,25 99,73 106.1 1.140 00 Accom 159,76 99,73 106.1 1.40 00 Accom 152,13 54,24 57,81 7.00 Warrerly Income 5 52,13 54,24 57,81 7.00 peznent (1400)F

Mex was a very serious and the | Ting 31, Manchesian | Mod 34M | Ting 17 | Ti

CROSSWORD

No. 6,804 Set by DINMUTZ



- **ACROSS** 1 Socratic sort of word-puzzle
- (8) 5 Rough region to pass over
- (6) 9 Catalogue, if in superior cover (8) 10 Gift of old money (6)
- 11 Cheat abroad reverses
- streetcars (8)
 12 Piece of meat at home for
- say? (10) 22 Looks forward to a waist
- water (6)
 25 Pop article in French news-
- paper (8)
 26 Hemingway in modern estimation? (6)
 27 A second-best outsize heatshield (8)
- DOWN
- 1 Hook thrown overboard (6) 2 Venetian news source? (6) 3 Oil-producer from middle eastern seas, perhaps (6)
 4 Off the cuff, tell accomplice
- around Dorset (6) that changes shape (6)

 23 Motorway anxiety kept

 here (8)

 the river (6)

 21 Prized things like television receivers (6) 24 Old bird providing hot Solution to Puzzle No.6,803

SEPERCUSSION

W.L.N.A.U.N.E.U

ONESTEP PELICAN

O.G.R.E.P.A.K.W.

LIANA DOGWATCH

G.N.N.A.R...I.O

ANTICIPATE DEAL

HERD STINGINESS

E.E. H.G.N.R.O

REGISTER GROOM

I I U.O.P.U.T.E

NEMESIS INLITIAL

G.E.A.I.N.S.C.Y

6 Is one in charge of the farm

butters? (8)
7 Public plot having no dividing walls (4,4)
8 Former wife nursed and was

really stretched (8)
13 Turns sides out of such robust character (10)
15 Confusion of order given to

the few (8)
16 Swimming-race includes the composer (5)

14 False trade-plate found in the Lake District (10)

18 Fine lines on old constable,

19 Walked with purpose

20 Start out to get record in

De Accum Nov 28... 54.270.4 277 5at 271.51... (5.20)
December 20... 54.270.4 277 5at 271.51... (5.20)
December 20... 54.270.4 277 5at 271.51... (5.20)
December 20... 54.270.4 275... (5.20)
Selec Cap 7at Acc... 57.24.28 74.071... (5.20)
Selec Cap 7at Acc... 57.24.28 74... (5.20)
Selec Cap 7at Acc... 57.24.28 74.071... (5.20)
Selec Cap 7at Acc... 57.24.2

Empl unit Tet Magrs 1.56 (1400M)

EFM Unit Tet Magrs 1.56 (1400M)

Alleridis Occase, Editante
American V 513315 33.154 56.71 4001.77

Emplai - 51232 123.2 133.0 -11.0 50

Convertibles 54 22.9 22.90 24.33 -10.7 10

Emploid 5 5176.4 176.4 187.4 -10.4 00

High Dist 5 5176.4 176.4 187.4 -10.4 00

High Dist 5 5176.4 187.4 187.4 -10.4 00

High Dist 5 5176.5 187.6 187.4 -10.4 00

Except 5 5176.5 187.6 187.4 -10.4 00

Except 5 5176.5 187.6 187.6 187.1 10.5 00

Except 5 5176.5 187.6 187.6 187.4 -10.4 00

Except 5 5176.5 187.6 187.6 187.6 187.1 10.5 00

Except 5 5176.5 187.6 187.6 187.6 187.6 187.1 10.5 00

Except 5 5176.5 187.6 187.6 187.6 187.6 187.6 187.1 10.5 00

Except 5 5176.5 187.6 18 Totyo 51200.7 200.7 212.61-151 —
Englie Star Uniff, Hinges Ltd (1.000)H
Bath Rand, Cerboshun 625.7 (1.0 000)H
Bath Rand, Cerboshun 625.7 (1.0 000)H
UK Balamont bir 517-16 76.2 (1.0 00.94 -0.95).01
UK Balamont bir 517-16 76.2 (1.0 00.94 -0.95).01
UK Balamont bir 517-16 76.2 (1.0 0.94 -0.95).01
UK Balamont bir 518-16 76.3 (1.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 1 10c 518-16 76.3 (6.0 0.95).01
UK Git 6.7 10c 518-16 76.3 (6.0 0.

| Property | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 1987 | 198

GUIDE TO UNIT TRUST PRICING

INITIAL CHARGES
These represent the marketing, administrative and other costs which have to be paid by new purchasers. These charges are included in the price when the customer buys units.

OFFER PRICE.
The price at which units may be bought.

BID PRICE.

And the major may be sold.

CANCELLATION PRICE
The maximum spread between the offer and bid prices is determined by a formula laid down
by the government. In practice, unit, trust, managers quote a much servower spread. As a
result, the hid price is often set well above the minimum permissible price which is called the
cancellation price in the tairle. However the bid price might be moved to the cancellation
price in circumstances in which there is a large excess of sallers of units over buyers.
TIME

price in circumstances in which there is a large excess of sallers of units over larger. TIME
The time shown alongside the fund manager's name is the time at which the unit trests' daily
the time shown alongside the fund manager's name is the time at which the unit trests' daily
dealing prices are normally set unless another time is indicated by the symbol alongside the
individual unit trust name. The symbols are as follows: \$\phi\$ - 0001 to 1100 hours; \$\phi\$ - 1101 to
1400 hours; \$\phi\$ - 1401 to 1700 hours; \$\phi\$ - 1701 to middight.
HISTOREF PRICING
The letter it denotes that the managers will deal or a historic price basis. This means that
investors can obtain a firm quotation at the time of dealing. The prices shown are the latest
smallable before publication and may not be the current dealing levels because of an
intervening portfolio revaluation or a switch to a forward pricing levels.
FIGURIARD PRICING
The letter F denotes that prices are set on a forward basis so that investors can be given no
tell nits price in advance of the purchase or sale being carried out. The prices appearing in the
newspaper show the prices at which deals were carried out. The prices appearing in the
other explanatory notes are contained in the last column of the FT limit Trust information
pages.

fell Unit Tet Mers Ltd (1900)H Irret, Leaden ECZM 10T

PK English Trest (Uny Mass) Ltd (1600)F

County Manager ... 3496.23 40.04 51.741 ... 2.42

N.M. Rytinschild Famil Magart (1.0001)

N. Seithin's Lase, London EC4 ... 01. 634 2901/4

N. America duct ... 3202.96 229.52 29.77 71. 76.11.43

N. America duct ... 3202.96 229.52 29.77 71. 76.11.43

N. Li Secone ... 3202.96 229.52 29.77 71. 76.11.43

N. Li Secone ... 3202.99 22.99 27.70 1.02 19.02

N. Alajor UK Ost ... 320.99 22.99 27.71 79. 6371, 79.

N. Sech Austrie ... 5 (97.33 6.9.37 77.79 6.371, 79.

N. Sech Satorie ... 5 (97.30 6.9.37 77.91 6.371, 79.

N. Sentr Centr Co. ... 320.99 19.90 (97.60.01 -149.20)

N. Smaller Gos ... 320.99 19.90 (97.60.01 -149.20)

N. Smaller Gos ... 320.99 19.90 (97.60.01 -149.20)

N. Smaller Gos ... 320.97 19.90 (97.60.01 -149.20)

Pearl Treat Managers Ltd (1000)81 | Managed Empty 3 138 62 144.89 150 451 -0722.00 |
Thurpe Wood, Petrobrough PC3 65A 0000 626577 | Scritish Amicable Ut Tst Migst Ltd (1280)87 |
Consult No. 973 64770 | Sel. 7 104 41-0715.07 | Empty Income | 5145.7 1072 | Empty Income | 5145.7

:

2 det -4

· Jane

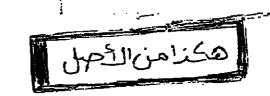
.

Party Con

Protected un. 514-5.3 (4.30 Marriero ... 5 132.6 123.6 123.6 126.6 123.6

| Comparison | Com

Rice in the Paris Gradian



FT UNIT TRUST INFORMATION SERVICE

	FT UNIT TRUST INFOR	RMATION SERVICE .	Current Unit Trust Prices are available on FT Citylina. To obtain your free Unit Trust Code Booklet ring the FT Cityline help deak on 01-925-2128
Property Stage 5 181.7 48 1678 31.4 29.18 6 296-4-2811.0 29 18 South of 51 5153 31 29.18 6 296-4-2811.0 29 18 South of 51 5153 31 29.18 6 296-4-2811.0 29 18 South of 51 5153 31 29.18 6 296-4-2811.0 29 18 South of 52 18 29 29 18 South of 52 18 29 29 29 18 South of 52 18 29 29 29 29 29 29 29 29 29 29 29 29 29			The state of the s
For list. See Rev 30. 143.15 Deposit Nov 30. 100.00 Discour. Nov 30.00 Discour. Nov 30. 100.00 Discour. Nov 30.00 Discour. Nov 30	Recovery	199.4 325.0 -3.9 -5 maperly Pas. Ser. 2 222.4 224.5 66	Marchant Lovestor Assurance Co Int

FT UNIT TRUST INFORMATION SERVICE

 Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 01-925-2128

. Sid Offer + or Yield Sid Offer + or Yield Frice Price - Comments	and one to Vicit Sid Offer	+ or York	Unit Trust Code Bookiet ring the F1 Cityline help dost on other
Narwich Union Asset Management Ltd Providence Capital Life Asset. Co Ltd P0 807 124, Rorwich NRI LIS 0503 603985 Contd. Rules Found See St.	Price Pric	Series S	Citibanic - Centel. 7
10 122.4 10 122.6 122.6 10 122.6 122.6 10 122.6	Secont Second Secont Second Second Second Secont Second S	100 -0.4	Delta Sale No. 22 12.065 1.0284 -
European Fd	American Set Opps. 46 17. 6	20 20 20 20 20 20 20 20	E. Sieving Boots DM10 chd Chd DM10 chd
Prog. Acc. Gordas 571.1 314.9 5.0 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.1 5.0 5.0 5.1 5.0 5.	Reyel Life Insurance Lid	1.4	GF Asia Sterlingto
Managed ioR 294, 9 13 13 13 14 15 15 15 15 15 15 15	Ringral Liver Assurance Global Resource 7s. 76.0 St.0 Repail Liver Assurance Global Resource 7s. 76.0 St.0 Repail Liver Bedfiding, Liverpool, L3 HRT. CS1 296 1451 Global Results: 1.25.9 137.5 CS1 286 1451 CS1 286	10	Pacific Bysis Fd
international Acc. 131.9 138.8 -1.1 - Presidential Helitoria Line Lead U.S. & Georgia Acc. 81.90 86.20 -0.50 -0.50 -0.50 Berridging S. J. Durdon WIX III.8 01.439 3134 Anner Spec Sits Acc. 60.80 64.00 -0.10 Berridging S. J. Durdon WIX III.8 01.439 3134 Anner Spec Sits Acc. 191.3 201.3 -1.8 Managed -440.5 45.17 -3.0 -1.9 Earth Acc. 142.5 150.0 -1.5 Environment Acc. 122.0 150.0 -1.5 Environment Acc. 122.0 150.0 -1.5 Environment Acc. 122.0 150.0 -1.0 Flore Interest 371.1 370.7 -0.5 -1.0 Environment Acc. 122.0 150.0 -1.0 Flore Interest 371.1 371.5 371.7 -1.0 -1.0 Environment Acc. 122.0 150.0 -1.0 Flore Interest 371.1 371.5 371.7 -1.0 -1.0 Environment Acc. 122.0 150.0 -1.0 Environm	Ballom Fd	-0.1 - Teachers' Assurance Company Life -0.1 - 12 Christmatch Rd. Brooth Bitl. 3.W -0.2 - 12 Christmatch Rd. Brooth Bitl. 3.W -0.2 - 2 12 Christmatch Rd. Brooth Bitl. 3.W -0.2 - 2 12 Christmatch Rd. Brooth Bitl. 3.W -0.2 - 2 12 Christmatch Rd. Brooth Bitl. 3.W -0.2 - 2 12 Christmatch Rd. Brooth Bitl. 3.W -0.2 - 2 12 Christmatch Rd. Brooth Bitl. 3.W -0.2 - 12 Christmatch Rd. 10	PO Box 208, St Peter Port, Exemetry CI 0481, 28266 D-Mark 1 Mong. 1 67 750 0 810 - 0.002 - 1 5 5 6 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6
Penn frient Merifikaci 70.4 74.2 Penn Frient Merifikaci 70.4 74.2 Penn Frient Frient Merifikaci 70.4 74.2 Penn Frient Frient Merifikaci 104.5 110.0 Penn Frient Frient Merifikaci 122.1 122.2 Penn Deposit Frient Merifikaci 102.2 127.4 130.0 Bernington St. London WIX 11.8 01.439 3134 Penn Deposit Frient Merifikaci 120.0 120.4 130.0 120.0	Manager Mana	- Commission Conference Section Commission Conference Commission Commissio	Dullity Value Friest
Japan. 217 0 225 0 -10	## 25 Autrew St, Editabergh 1814 148 9 231 -556 91gt Fresch Growth 78.8 32.9 1814 181 9 25 -	1.	Gishal Coenth Frest \$19.03 19.96 +0.06 3.7 39.41 Broad St. St. Heirer Jersey, Cl. 0534 50422 Gishal Equity Frest \$51.78 5.85 +0.08 1.7 39.41 Broad St. St. Heirer Jersey, Cl. 20 1.20 0.80 1.20 1.
Bases First on State Bases First on State Bases First on State Bases B	Peter Land	-12 Degosit 185.4 195.1 - M & C Ass Gross - 119.6 12.7 - 0.9 -1.9 Fer East Fd. 234.1 284.4 - M. R. M. Schroder (77.1 91.6 - 0.7 -1.9 Fer. Los. Growth 399.00 279.000 - R. M. Schroder Perc (87.3 91.8 - 1.0 -1.9 Fer. Los. Growth 399.00 279.000 - R. M. Schroder Perc (87.3 91.8 - 1.0 -1.0 Fer. Los. Growth 399.00 279.000 - R. M. Schroder Perc (87.3 91.8 - 1.0 -1.0 Gilt 276.1 106.0 106.4 - Schroder Perc (87.3 91.8 - 1.0 -1.0 Fer. Los. Growth 276.1 106.0 106.1 106.0 106.1 106.0 106.0 106.0 -1.0 High Br. Fined Int 120.9 106.0 -1.0 High Br. Fined Int 120.9 106.0 -1.1 Fore Ford 120.0 387.3 -1.1 Fore Ford 271.7 286.0 -1.1 Fore Ford 120.0 387.4 -1.2 Fore Ford 120.0 387.4 -1.3 Fore Ford 120.0 387.4 -1.4 Fore Ford 120.0 387.4 -1.5 Growth Perc 120.7 106.1 -1.6 Fore Ford 120.2 274.9 -1.7 Fore Ford 120.2 274.9 -1.8 Fore Ford 120.2 274.9 -1.9 Growth Perc 120.1 100.1 100.1 100.1 100.1 -1.1 Fore Ford 120.2 274.9 -1.2 Fore Ford 120.2 274.9 -1.3 Fore Ford 120.2 274.9 -1.4 Fore Ford 120.2 274.9 -1.4 Fore Ford 120.2 274.9 -1.5 Fore Ford 120.2 274.9 -1.4 Fore Ford 120.2 274.9 -1.5 Fore Ford 120.2 274.9 -1.6 Fore Ford 120.2 274.9 -1.7 Ford 120.2 274.9 -1.8 Growth Perc 120.2 274.9 -1.8 Ford 120.2 274.9 -1.8 Growth Perc 120.2 274.9 -1.9 Ford 120.2 274.9 -1.1 Ford 120.2 274.9 -1.2 Ford 120.2 274.9 -1.3 Ford 120.2 274.9 -1.4 Ford 120.2 274.9 -1.5 Ford 120.2 274.9 -1.6 Ford 120.2 274.9 -1.7 Ford 120.2 274.9 -1.8 Ford	Global Leture Ford \$59,00 \$2.56 40 11 22 CSh Ranaged \$33,75 73.39 Global Technology Find 1.520.1.6 21.32 40 07 15 53erting \$43,23 All offer prices oscord not esteried 4% build charge \$15 5 53erting \$15 5 All offer prices oscord not esteried 4% build charge \$15 5 53erting \$15 ESS \$14 23.86 \$15 5 ESS \$14 23.86 \$15 5 ESS \$14 23.86 \$15 5 EMMA Risraged \$15.07 \$15 \$15 \$15 EMMA Risraged \$23,44 23.56 \$16 \$
Compared Field Field Field Field Compared Field Fie	TSS Maraged. 113.1 137.9 1 137.9 1 137.0 1 137	Zarrich Life Asserance Co Ltd 1 Colifornia Mah. Personate Pol 21.6 6705 \$22200 Serbico Hose, Ciliberte, 887 231 Color Co	EMMA Cost Ear Hongs
Portrollo 2000	1909 1909	The Old Town State, Techniques, Bed. 1, 122, 122, 122, 122, 122, 122, 122,	Description Section
Property Fund (A)	10		Autorities Colorest Colores
Core Peru. Fd	TAT. 7 184.0 -1.0 -1.0 -1.0 -1.0 -1.0 -1.0 -1.0 -1	Monaymather Manual 146.2 153.9 -2.0 -	Liegies Bank (LD U)T Migrs. 70 Sto 196, St heller, jersey Liegie 1a. Celt
UK Maraged Acc. 120.9 151.7 (2) BUT Brithamba (2.2 6 4.3 - 2.7 6 1	see: Frop. Fd. UPL 254.1 \$27.3 \$41.1 \$	Name Section	Ampel Carrons (6.0 003 6.351as) -0.007 5.71 Refuse Overseas (1.0 0.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0 1.0
UK Managed Initial 1907 (7) Stan Growth 1850 1737 -121 - 5 Princip Lettal 156.9 (7) Gill. 123 - 50.7 -0.3 - 5 Home Managed Initial 156.9 (7) - 63 - 5	nici Scorre Pers	1. The reverse, Leatherhead, NTZ2 2014 1072 277811 Cater Allen Hones, Steller, Jersey, 2 053, 78094 115, 2014 115,	20 20 20 20 20 20 20 20

BER 6 1985

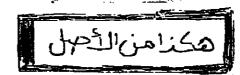
CO CONTRACTOR

CRISTI CR

Charles and Charle

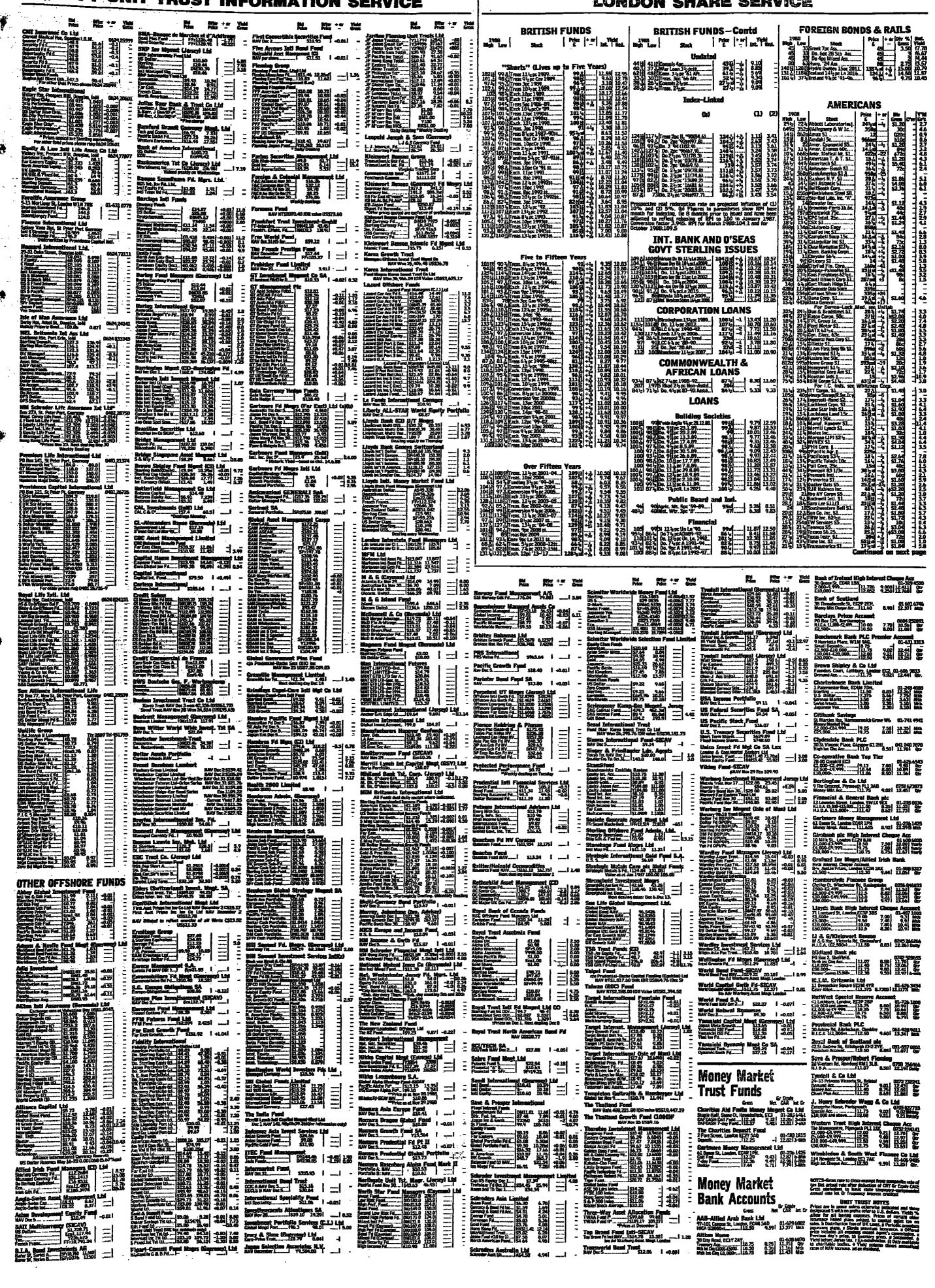
100 m

Wards and the second



Three-Way Asset Allocation Funds
TWAN Fund P 999.00 99.80 99

FT UNIT TRUST INFORMATION SERVICE london share service



EUROPEAN OPTIONS EXCHANGE

Vei Last Voi Last Vei Last

2.20 0.20

20,55

0.70 1.30 6.20

450 4

0.80 4.90

14 30 52

23 36

10

CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Pound continues to advance

A much larger than expected

rise in November US non-farm payrolis, was offset by some

conflicting data, including a

rise in the total unemployment

rate, and a downward revision to the October payrolls figure. At the close in London yes-terday the dollar had fallen to DM1.7240 from DM1.7290; to

SFr1.4450 from SFr1.4500; and to FFr5.8900 from FFr5.9100.

but was little changed at

Y121.45, against Y121.40. On Bank of England figures the dollar's index fell to 91.9

The yen's less than impressive performance was largely symbolic, reflecting news of a

deterioration in the health of

Emperor Hirohito.
The Emperor's condition was

described as critical in Tokyo,

and trading slowed as a mark of respect. Japanese institu-

tions do not wish to be seen benefitting from speculation on the foreign exchanges at such

from 92.3.

SPECULATIVE MONEY looking for an attractive resting place moved into sterling yesterday. Money moving out of the dollar was attracted to the pound by high London interest rates, and by the lack-lustre performance of the Japa-

nese yen, Intervention by the Bank of England, to stem sterling's rise, appeared to have been confined to selling the pound against the dollar, and was not

on a large scale. Sterling rose to its highest level against the dollar since May, rising 1.35 cents to \$1.8700. It also climbed to the best level since August against the D-Mark, closing at DM3-2250 compared with DM3-2100 on Friday.

In terms of the French franc the pound advanced to a three-year peak, rising to FFr11.0150 from FFr10.9725. Sterlingalso improved to Y227.00 from Y225.25, and to SF12.7025 from SF_T2.6925.

The pound's exchange rate index, according to the Bank of England, rose 0.2 to 78.7, the strongest since May.

There were no fresh factors,

but the dollar maintained a weak tone, after last Friday's US employment data failed to produce a rise in the Federal Reserve's discount rate, and also failed to prevent the dollar sliding, in spite of the Fed's intervention on Friday.

2 IN NEW YORK Previou Close Dec.5 Latest

STERLING INDEX 901 201 201 201

CURRENCY RATES

0.739136 1.3814 1.56749 16.6749 49.6977 9.14054 2.37153 2.67403 8.10281 1.753.18 166.434 8.85597 154.806 8.24199 1.98654 197.423 1.88554

CURRENCY MOVEMENTS 78.7 91.9 84.4 136.4 99.1 190.2 146.3 170.0 134.6 45.9 254.2 -14.0 -15.0 -1.5 +10.0 -5.6 +21.6 +21.8 +11.8 -20.1

OTHER CURRENCIES

MONEY MARKETS

13% p.c. and a low of 11 p.c.

£200m, and factors affecting

the market included bills maturing in official hands and

a take up of Treasury bills, together with repayment of

late assistance draining £741m,

and banks' balances brought

forward £115m below target. These were partly offset by Exchequer transactions, which

added £175m and a fall in the

The Bank gave assistance in

the morning of £216m, through

note circulation of £465m.

Steadier tone INTEREST RATES ignored sterling's firmer trend, and a outright purchases of £61m of eligible bank bills in band 3, at 12½ p.c., and in band 4, £23m of local authority bills and £132m of eligible bank bills, all at 12%

rise in October final retail sales figures, to finish little changed on the day in London yester-day. Most traders now see little prospect of a further rise in base rates, at least until the next set of UK trade figures for The forecast was revised to a shortage of around £250m, before taking into account the morning help, and the Bank gave additional assistance in November, due for release on the afternoon of £5m, through The key three-month inter-bank rate was unchanged at outright purchases of eligible bank bills in band 4 at 12% p.c. Late help came to £10m, making a total of £231m.

13%-13% p.c. Interest rates are now peaking at three-month The expected drain on liquidity, caused potentially, by the British Steel share issue, failed UK clearing bank base leading rate 13 per cast from November 25 to materialise, and contingency plans made by the Bank to pro-

vide temporary liquidity were not implemented. maturity, and showing a slightly downward curve from. A shortage of liquidity and fears of higher interest rates in the US, pushed French there out to one-year. Overnight money traded between short-term money rates firmer. Call money was quoted as high as 7% p.c., above the Bank of France money market inter-The Bank of England forecast a shortage of around

vention rate of 7% p.c. However, the French franc has so far performed reasonably well against its EMS partners, which suggests that the authorities may wish to postpone any possible rise in rates. But political uncertainty, and the continued strike by public sector workers may eventually try the patience of foreign investors, and prompt a specu-lative run on the franc.

The French franc held up well in quiet Paris trading, gaining ground against the dollar and the D-Mark, in spite of growing concern about labour unrest, illustrated by the strike

As the situation threatened to develop into a political crisis, the head of the French employer's association said the strikes threatened a fragile economic recovery. He added that companies are suffering from the strike to a much greater extent than is being

among public transport work-

In Frankfurt there was little reaction to news of a West German current account surplus of DM7.9bn in October, com-pared with DM5.9bn in Septem-ber.

The West German Bundesbank did not intervene when the dollar was fixed at DM1.7223, against DM1.7334 on

a semiare a	116-		riimy.							
EMS E	EMS EUROPEAN CURRENCY UNIT RATES									
	Ecor central rates	Currency amounts against Ecu Dec.5	% Change from cestral rate	% change adjusted for distrigence	Divergence Itselt %					
Belgian Franc Danish Krone German D-Mark Freech Franc Datch Guilder Irish Pent Italian Lira	42,4582 7,85212 2,05853 6,90403 2,31943 0,768411 1483.58	43.5523 8.01622 2.07906 7.10165 2.34480 0.776533 1537.20	+2.58 +2.09 +1.00 +2.86 +1.09 +1.06 +3.61	40.77 40.88 40.81 41.05 40.77 40.75 42.59	±1.5344 ±1.5404 ±1.0981 ±1.3674 ±1.5012 ±1.6484 ±4.0732					
Changes are for Fourth	meliare nocitive c	bance denotes a w	eak cumency							

POU	POUND SPOT- FORWARD AGAINST THE POUND								
Dec.5	Day's spread	Close	Ome month	% 9.E	mantis Tiree	% 92			
US Casada Casada Retherlands Belghum Desmark reland W. Germany Portogal Spaln Hary France Sweder Japan Japan Belglan rate 6.00-5.90pm	67 30 - 67 60 12 394 - 12 634 12 394 - 12 635 32 14 - 3 22 4 26 35 - 267 45 209 20 - 20.7 5 27 64 - 23 7 11 99 - 11 02 11 195 - 11 20 22 65 - 22 76 269 - 27 04 269 - 27 04 5 constitute frans. F	1865 - 18705 22170 - 22180 3 61 3 64 67.45 - 67.55 12394 - 12404 1 2400 - 12050 3 224 - 3224 266 35 - 267.45 209 95 - 210.45 23234 - 23234 12:01 - 12:02 11:02 - 11:02 11:02 - 11:02 11:03 - 2274 22:65 - 22.70 2694 - 2.704	0.57-0.54cpm 0.55-0.44cpm 21-2.4cm 37-33cpm 6.5-1.9cpm 0.62-0.5cppm 20cn-5cds 52-31cpm 2-1.9ccpm 3-2.1cpm 3-2.1cpm 15-1.54cpm 2-1.4cpm 15-1.54cpm 2-1.4cpm	3.56 2.60 8.05 6.22 5.38 5.14 -1.01 1.75 1.01 9.25 8.60 forward do	1.71-1.67pm 1.20-1.07pm 65-4-54pm 103-4-5pm 103-4-5pm 103-1-4-5pm 103-1-4-5pm 53-3-3-5pm 8-7-4-5pm 8-7-4-5pm 52-5-5-5pm 104-3-3-2-5pm	2.05 7.43 5.90 5.08 7.77 1.98 1.09 1.21 2.74 8.74 8.05			

DOLLAR SPOT- FORWARD AGAINST THE DOLLAR									
Dec.5	Day's spread	Close	One mouth	94 P.L	Clares Months	6T			
UK/ Irelandt Canada Netherlands Selgium Denmark Uk Germany Portugal Spain Italy Soway France Sweden Japas Austria Switzerland 1 UK and irel	36.05-36.15 6.63-6.64\; 1.720-1.7245 142\; -143\; 112.75-112.64 6.41\; -6.44 5.87\; -5.89\; 5.98\; -5.93\; 121.15-121.55 121.11\; 121.11\;	17235 - 1.7245 1424 - 143 11225 - 11235 12744 - 12744 6.424 - 6.424 5.934 - 5.834 5.99 - 5.994 12114 - 12115 12114 - 12115 14445 - 1.4455	0.57-0.54gas 0.28-0.32cds 0.07-0.12cds 0.75-0.72cm 9.007-00cgn 1.20-4.70cegn 0.70-0.65prom 0.70-0.65prom 0.70-0.65prom 0.80-0.78cpn 0.80-0.78cpn 0.20-4.00ccgn 0.20-4.00ccgn 0.01-0.05ecgn 0.01-0.58cpn	-1.77 1.69 -0.60 5.69 5.45 4.95	1.71-1.67pm 0.47-0.57dis 0.45-0.49his 1.91-1.88pm 22.00-19.00pm 25-0-2.00pm 180-1.75pm 130-210dis 3.40-3.90dis 1.70-1.55pm	3.61 -1.34 -1.59 -3.88 2.27 -1.35 -4.76 -2.10 -2.67 -2.10 -0.93 4.45 -1.00 to the			
<u> </u>		- 10 LUMB UDC 1140							

pomicial corresq.			IJANIS. FIRMS					
EURO-CURRENCY INTEREST RATES								
Dec.5	Short term	7 Days motice	One Month	Three Months	Six Months	One Year		
Sterling US Dotlar Can Doffar D. Gotlifer Sw. Franc Deutschmark Fr. Franc Italian Lire B. Fr. (Clai B. Fr. (Con.) Yen O. Krone Askan SSing	85-85 10-94 45-44 45-44 10-71 12-71 75-71 35-75 37-75	120-128 84-82 10-94 45-44 45-44 73-71 124-11 73-71 4-74 77-71 84-85	13 1-12 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	134-134 92-93 104-105 54-554 48-45 54-514 712-114 712-71 42-45 84-45 84-45 84-45	133-134 96-94 114-105 54-54 44-65 84-84 12-114 73-74 42-44 81-81 81-81 91-93	134-134 94-94 114-104 55-54 44-44 54-54 84-84 124-114 74-74 74-74 44-44 84-44 84-44 84-44 84-44 84-44 84-44		

Long term Eurodollars: two years 912-92, per cent; three years 914-915 per cent; four years 912-92, per cent; fine years 914-93, per cent; fine years 914-93, per cent; fine years 914-93, per cent; fine

EXCHANGE CROSS RATES										
Dec-5	£	5	DNI	Yes	F Fr.	S Fr.	HFL	Lira	C S	B Fr
\$	0.535	1.870 1	3225 1.725	227.0 121.4	11,015 5.890	2.703 1.445	3.635 1.944	2383. 1274	2.218 1.186	67.5 36.1
DM	0.310	0.580	1	70.39	3 416	0.838	1.127	738.9	0.688	20.9
YEN	4.405	8.238	14.21	1000.	48.52	11191	16.01	10498	9.771	297.
F Fr.	0.908	1.698	2928	206 l	10.	2.454	3,300	2163	2.014	61.2
S Fr.	0.370	0.692	1.193	83.98	4,075	1	1,345	881.6	0.821	24.9
H FI.	0.275	0.514	0.887	62.45	3.030	0.744	1	655.6	0.610	18.5
Lira	0.420	0.785	1.353	95.25	4.622	1.134	1.525	1000,	0.931	28.3
C S	0.451	0.843	1.454	1023	4.966	1.219	1.639	1074	1	30.4
B Fr.	1.481	2.770	4.778	336.3	16.32	4.004	5.385	3530	3.286	100.

Latest High Low Pres. 1.8666 1.8668 1.8642 1.8616 1.8516 1.8520 1.8490 1.8468 1.8330 1.8330 - 1.8308 FT LONDON INTERBANK FIXING

CLLOD a.m. Dec.50 3 months US dollars

Spot 1.8700

DOM-STERLING St. per £

MONEY RATES NEW YORK Treasury Bills and Bonds Two Months 4.95-5.10 713-84, 44-5 5.31-5.37 4.46875 114-124 714-74 75-74 4.95-5.16 84-84 45-45 5.31-5.37 4.34375 11-5-12 74-74-84 4.95-5.10 8-81 5.05-5.20 82-82 5.00 7.25

LONDON MONEY RATES Dec.5 interbank Offer . Interbank Bid 11 12 p 134 Interbank Bid
Sterling CDs.
Local Authority Deps.
Local Authority Bonds.
Discount Mikt Deps.
Company Deposits
Finance House Deposits
Treasury Bills (Bay)
Fine Trade Bills (Bay)
Fine Trade Bills (Bay)
SDR Linked Dep Offer
SDR Linked Dep Bid ...
ECU Linked Dep Bid ...
ECU Linked Dep Bid ... 124 12% 13 124 먨 1212 1225 9.40-9.35 7 H 7 J 8

Treasury Bills (sell); one-month 12% per cent; three months 12% per cent; Bank Bills (sell); one-month 12% per cent; three months 12% per cent; Bank Bills (sell); one-month 12% per cent; three months 12% per cent; Treasury Bills; Average tender rate of discount 12.5993 p.c. Ecolo Fixed Rate Scerling Export Finance. Make up day November 30, 1998, Serenes 10, 118, 13.61 p.c. Reference rate for period November 1, 1988 to November 30, 1988, Schmen 10, 1881, 13.61 p.c. Reference rate for period November 1, 1988 to November 30, 1988, Schmen 10, 1881, 13.61 p.c. Local Authority and Finance Houses seven days notice, others seven days fixed. Finance Houses Base Rate 12½ from December 1, 1988, Bank Deposit Rates of sums at seven days notice, others seven days notice 4 per cent. Certificates of Tax Deposit Series 6); Deposit £100,000 and over held under one month 7½ per cent; one-three months 9 per cent; three-six months 9 per cent; strings months 9½ per cent; pe

FINANCIAL FUTURES

Prices cautiously firmer

absorbed without too much

trauma. Credit advances were

just on the right side of bear-

able, by showing a slight

decline from a rise in Septem-

ber of £3.57bn to an increase in

In addition, many investors

are already running short posi-tions, and for this reason

alone, the downside potential

Estimated volume total, Calls 24 Pors 24 Provious day's onen int. Calls 1808 Pors 3793

October of £3.45bn.

Sterling based prices finished with small gains in yesterday's Liffe market. While the size of the improvement was relatively modest, the rise in itself denoted a change in sentiment. Investors are now becoming more geared towards UK base rates holding at 13 p.c., at least until the UK Budget next

March. Consequently, a 2.0 p.c. final rise in October retail sales -

500 510 510 334 206 110 40 18 2 11 33 125 47 44

Estimated volume total, Calls 945 Pots 412 Previous day's open lot, Calls 11371 Pots 13497

LONDON (LIFFE)

Esthwated Volume 9112 (27436) Previous Gay's open Int. 37661 (36492)

Estimated Volume () (12) Previous day's open (at. 100 (344)

Estimated Volume 315 (723) Previous day's open inc. 1055 (995)

mated Volume 6614 (9279) fous day's upon lat, 10205 (10347

1-mth 3-mth 6-mth 12-mth 1.8644 1.8531 1.8368 1.8105

Close High Low Pres. 178.40 178.40 176.25 177.95 180,20 180.00 178.25 179,70

LIFFE EDMOGLLAR OFTERS Size points of 100% 91 405 877 1375

Dec 15.65 12.90 9.95 4.90 3.50 4.25 0.45 Mar 0.90 1.41 2.00 2.90 4.02 5.40 6.98

Feb 0.42 0.78 1.32 2.00 3.04 4.38 5.99 CHICAGO Pret. 87-18 87-07 86-29 86-20 86-11 86-03 85-27

91.88 92.04 92.06 91.87 92.05 92.05 92.05 92.00 91.83 91.90 91.87

CHTRE DES MONTRES

WestLB

for dealing prices call:

One of the leading Marketmakers

The second secon

LA MONTRE DES HONTRES GENEVE

Mechanical-and-quartz chronograph,
HUBLOT uniter-resistant to a depth of 150 feet.

BARCEIONA: Solor Cabot - BRUXELLES: Verboogen - DÜSSELDORF: Wempe - FIRENZE: Calouxi, Coppini - FRANKFURT: Wempe - GENEVE: Chimento, Benoît de Gorski, Clarence, R. Zbinden - HAMBURG: Wempe - HONG KONG: Dickson, Sanny - LONDON: Garrard Hilton Jewellers. David Morris, The Watch Gallery, Wistches of Switzenfand - MADRID: Montejo - MILANO: Fizzzzi, Gobbi, Verge - MÜNCHEN: Wempe - NEW YORK: Frad, Wempe - PARIS: Frad, Wempe - ROMA: Bedesti, Marisin - SINGAPORE: The Hour Glass - TOKYO: Jessed Gallery - UNINCENTAL - Selection - METRIN - School - TOKYO: Glass - Gellery - UNINCENTAL - Selection - METRIN - School - TOKYO: Glass - Gellery - UNINCENTAL - Selection - METRIN - School - TOKYO: Glass - Gellery - UNINCENTAL - Selection - METRIN - School - TOKYO: Glass - Gellery - UNINCENTAL - Selection - METRIN - School - TOKYO: Glass - Gellery - UNINCENTAL - Selection - METRIN - School - TOKYO: Glass - Gellery - UNINCENTAL - Selection - METRIN - School - TOKYO: Glass - Gellery - UNINCENTAL - Selection - METRIN - School - TOKYO: Glass - Gellery - UNINCENTAL - Selection - METRIN - School - Selection - Selection - Selection - Selection - METRIN - School - Selection - Sele

VENEZIA: Salvadori • WIEN: Schullin • ZÜRICH: Barth, Galli, Meister

Fixed Income and Equities Trading –

Westdeutsche Landesbank, Head Office, P.O. Box 1128

4000 Düsseldorf 1, International Bond Trading and Sales: Telephone (211) 8 26 31 22/8 26 37 41, Telex 8 581 881/8 581 882

Westdeutsche Landesbank, 41, Moorgate, London EC2R 6AE/UK Telephone (1) 638 6141, Telex 887 984

Charlotte, Luxembourg, Telephone (352) 44741-43, Telex 1678

WestLB

Westdeutsche Landesbank

rg WestLB International S.A., 32-34, boulevard Grande-Duchesse

Westdeutsche Landesbank, BA Tower, 38th Floor, 12 Harcourt Road, Hong Kong, Telephone (5) 8 42 02 88, Telex 75142 HX

In gold, in steel, or in gold and steel.

on three-month sterling deposit futures may be limited.

Prices moved firmer after the opening, as many traders expected a downward revision in retail sales. However a worse than expected figure was swallowed without too much reaction, and three-month ster-ling deposits for March delivery rose to 88.96 from 86.87 at start and 86.89 on Friday.

Puts-16 Dec. 2 18 99 322 700 1166 1661 1342 858 439 162 40 6 Mar 1619 1217 872 593 382 233 133

Puts-4x Jan 0.45 0.55 1.50 1.35 7.00 11.15

LA MONTRE DES MONTRES :

BUHRMANN-T P
ELSEVIER P
ELSEVIER P
EST-BROC C
GIST-BROC P
HEINERN G
HOOGGVENS P
KLM C
KMP P
NEDLLOYD C
MEDLLOYD C
MINLEY C
MI ARN Rank Adam & Company AAB - Allied Arab Bk Henry Anstractier ... AMZ Banking Group Associates Cap Corp Back Leoni (UK) Bank Credit & Contre ... Back of Cycrus ... Bank of Iodia ..

> Brit, Blk of Mid East..... Central Capital Charterhouse Bank

BASE LENDING RATES City Merchants Bank. Northern Bank Ltd Norwich Gen. Trast PRIVAThanken Limited R. Rasbael & Sons ... Roxborghe & rantes Royal Bk of Scotland Financial & Geo, Bank ... First Rational Bank Pic . Standard Chartered Robert Fleming & Co. United Mizrahi Bank Unity Trust Bank Pic Western Trust Westpac Bank Corp. Robert Fraser & Ptors. ... Girobask ● Guittass Mahon HFC Bank pit:

Hambros Bank
Heritable & Gen Inv Bok Hill Samuel

TOTAL VOLUME IN CONTRACTS: 29,646

C. Hoart & Co. 13
Hongtong & Shangh ... 13
Leopold Joseph & Sons ... 13
Lloyds Bank ... 13
Meghraj Bank ... 13
Medionnell Georgias Bank ... 13
Midland Bank ... 13
Mortgage Express Ltd ... \$13.95
Mount Bridg Corp. ... 13
Rat Bik of Kernatt ... 13 Wembers or invest werecare. Santing & Securities Houses Association. * 7 day deposits 5.22% Savenice 8.47%. Top Ties-Ella,000-instant access 11.06% & Hortgage toe rate. § Decami deposit 8%. Mortgage 12.375% - 12.75%.

COMPANY NOTICES

SEE RAND MINES LIMITED THE SEE NOTICE OF ANNUAL GENERAL MEETING

Notice is bereby given that the runety-third annual general meeting of Rand Mines Limited will be held in the auditorium, lower ground floor, The Corner House, 63 Fox Street, Johannesburg, on Friday, 13 January 1989 at Thi00 for the following business:

I To receive the audited aimtial financial statements in respect of the year ended 30 September 1988.

ended 30 September 1988.

To elect directors in accordance with the provisions of the company's articles of association.

To place the unissued shares under the control of the directors in terms of the provisions of the Companies Acc. 1973, as amended.

the provisions of the Companies Act. 1973, as amended.

To determine the reminieration of the directors in accordance with the provisions of the articles of association.

For the purpose of determining those members emitted to attend and vote at the meeting, the register of members of the company will be closed from 7 to 13 January 1983, both days inclusive.

A member emitted to attend and vote at the meeting may appoint one or more proces to attend, vote, speak and act in his stead. A proxy need not be a member of the company.

Attention is drawn to the fact that, if it is to be effective, a completed proxy-form must reach the transfer secretaries in Johannesburg or the United Kingdom registrars and transfer agents at least forty-eight hours before the time appointed for the holding of the meeting.

The holder of a share warrant to bearer who desires to be represented at the meeting time?

The policier of a state warrant to pearer who desires to be represented at the meeting must produce his share warrant or a centificate of his holding from a banker or other approved person at the bearer reception office of the United Kingdom registrars and transfer agents at least five days before the date appointed for the holding of the meeting and shall otherwise comply with the "Conditions governing share warrants" currently in force.

Thereupon, an attendance form or a proxy form under which such share warrant holder may be represented at the meeting will be issued. By order of the board RAND MINES (MINING & SERVICES) LIMITED

Secretaries per F D W PEACHEY 5 December 1988

Registered office: 15th Floor, The Corner House 63 Fox Street Johannesburg 2001

There are no service contracts between the company, or any of its sub-advanes, and any director or alternate director of the company, which need to be made available for inspection in terms of the requirements of The

Republic of South Africa)
Recastration No 01/00656/06 ECCLUSION RANDMINES II BREAKING NEW GROUND EVERY DAY.



INFORMATION IS POWER To make the right decisions

you need the right information

Strutt & Parker, have commissioned a new series of quarterly statistics to monitor sale results of agricultural land discounting abnormal factors.

The MAFF/Strutt & Parker Land Index series will be based on amended results from the existing CALP series. The Land Index statistics will be independently analysed by Wys College to provide objective commentary on the results.

To ensure your complimentary copy of Land Index, complete and return the coupon below. It's one business decision you will not regret.

lease send me	the next issue	of Land In	dex.
Vame			

Return to: Return to: Strutt & Parker Land Index. STRUTT& PARKER FREEPOST, 13 Hill Street, Berkeley Square, London W1E 7UZ.

Leading Land Managers

TO ADVERTISE

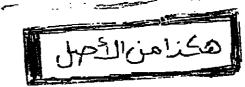
Property To Rent Furnished lettings Company and Embassy Lets

Long and Short Term All appear in the FT every Monday and Saturday Further details from Clive Booth, TELEPHONE 01-248 5284 FAX 01-248 4601 EMBER 6 1983

To selen Tour his

:cs).) - Contd.

RANCES (



Latest Share Prices are available on FT Cityline. To obtain your free Share Code Booklet ring the FT Cityline help desk on 01-925-2128 LONDON SHARE SERVICE LEISURE - Contd PROPERTY TRUSTS, FINANCE, LAND-Contd OIL AND GAS — Contd MINES. –Contd TEXTILES—Contd | Stack | Price | Pric | Prize + or | Dir. | Visit | Current | 133 | 12.6 4 1 2.6 | 133 | 135 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 6.3 | 15 + w Btv Y'th 2 - Net C'rright P/E 94 - BF/390 2.7 4.2 8.9 10 +3 53 +5 - 19.4 8tv Cvr 6/5 4:0.5c 5.1 8.8 16 WSouthern Res. 4 WSouthern Venture 25r. 5 1 WSpargor MiddooML. 2 WSouth Res 20r. 4 WWest Crast 25c. 160 Wests Wilning 50c. 7 WWest Mining 50c. 4#0.5c isare inv 1 **TOBACCOS** 921 19 36 252 325 4 26 4 124 29 15 29 6 46 0 2 4 3 3 141 7 7 7 5 1 6 1 3 1 175P ickwick 147P leasurama 50 135) Do. 7pcOcontego 193 W. /schilmledity 1/4Prestration Lister 15s. 1/28Prists Lister 15s. 1/28Prists Lister 15s. 1/28Prists Crup 11s. 1/28Prists 15s. TRUSTS, FINANCE, LAND 0.55 m0.24 F3.5 F3.08 4F2.8 \$1.0 F0.88 \$1.4 F5.0 2.3 16.95 6.0 **OVERSEAS TRADERS** 71.1 Alliance Trust...... 1834 ha linv, Tst...... 603 Ambrose lav. lar... 11241 0.927.1 13.4 14 3.7 13.7 12 24 13.0 1.0 9.0 011c 1.1 4.5 0.1 1.0 0.2 1.7 0.7 3.4 12.2 1.1 4.4 12.3 1.1 4.5 1.4 1.4 1.4 1.5 1.4 1.4 1.6 1.4 1.4 1.7 0.7 3.4 1.7 0.7 3.4 1.7 0.7 3.4 1.8 1.4 1.4 1.9 1.0 0.2 178 - 93 293 277 280 121 375 45 375 615 615 134 131 124 h 173 174 175 106 d 184 186 186 186 186 186 187 188 153 Archimedes Inc. 220 Do. Cap. 50e. 93 pArgo Ine (AS1). 73 Australia Inv 7s 50e. 573 Ballile Giff. Jap. 68 Ballile Giff. Sa. Alip. 68 Ballile Giff. Tack. 68hailile Gifferd Tesh. 620 y Banglok Ford. 60 Ranker' Inv. 146 Berry Strangest. 51 Retrans law. 15. 60 y British Assets. 88 y Do. Sop Cv Ln. 75. 34Brit. Emp. Ses. 10p. 440Brit. Invest. 96 British Assets. 97 COPT Crust 10p. 57 COPT Crust 10p. 57 COPT Crust 10p. 57 COPT Crust 10p. 57 CAPT Crust 10p. 58 CAPT Crust 10p. 59 CAPT Crust 10p. 59 CAPT Crust 10p. 50 CAPT Cru 1325 13 1144 64% 26 **PLANTATIONS** THIRD MARKET F2.75 M10.3 10159 MOTORS, AIRCRAFT TRADES all/Camella bas 10p. Silchief Health 10p. Silch Warrasts. Silchie & East ba 50c. Vi Do. Warrasts. Vi Do. Warrasts. Vi Co. Cap. (£1) 12 127.0 21 453 -5 9.0 5.8 2.6 6.8 266 -2 4.5 1.5 2.9 28.2 815(bottheetal & ind. 76(bamer (hr.). 26 Do. (Capl 2p. 147(berty Hr. hr. 138 Do. Cap. 10p. 55(bo. Wrrmts. 55(bo. Wrrmts. 54(bottheetal. 54(bo 24139 0.9 11.2 15.0 3.7 3.5 10.4 43.5 2.6 29 14.7 4.25 0.3 6.6 7.0 2.6 4.1 11.7 4.62 4.2 11.3 10.19 3.6 2.3 13.9 21.0 3.3 5.2 6.3 3.6 2.5 3.4 8.7 MINES 375 193 - 1 162 -1 86 -1 225 +1 217 -3 169 59 +1 63 608 tentaminster 50. 150 kg/s 150 kg/s 200 regist 10. 150 kg/s 200 resket 1 Distributurs 33 -1 0.73 1.5 2.9 24.7 459 112.0 2.9 3.7110 459 12.0 2.9 3.7110 10.0 3.11 2.7 12.9 115 -2 2.85 4.7 2.411.5 127 -6 12.6 4.1 2.7 10.0 128 13.6 2.9 3.8 10.9 221 4.25 3.0 3.1 14.2 125 2.15 4.2 125 2.15 4.2 125 2.15 4.2 125 2.15 4.2 125 2.15 4.2 125 2.15 4.3 12.7 2.9 2.8 11.4 11.7 2.9 4.9 9.4 11.8 -1 11.7 2.9 4.9 9.4 11.8 -1 11.7 2.9 4.9 9.4 11.8 -1 11.7 2.9 4.9 9.4 11.8 -1 11.7 2.9 4.9 9.4 11.8 -1 11.7 2.9 4.9 9.4 11.8 -1 11.7 2.9 4.9 9.4 11.8 -1 0.13 2.0 F1.2 1.14 21.7 0.06 #14.0 0.35 28 t 217m 136 67 t 525 11 t 381 61 89 40 11.0 4.2 24 129 Rand 227 +3 F9100c | 766 | 626c | 134 | 646c | 646 1316 Silpoerliraal R0.20. 1316 Silpoerriontein R0.25. 1338 455 Driefontein R0.50. 1497 634-Eistontein R0.50. 1497 634-Eistontein R0.50. 1511 299 Harrtelest 10t. 1511 299 Harrtelest 10t. 1512 299 Harrtelest 10t. 1513 454 Silpoer R0.25. 1524 5134 Southwas 50t. 1534 C334 Vaail Roefs 50t. 1534 C334 Vaail Roefs 50t. 1538 Silvestern Areas R1. 1524 L614 L614 L 1.56 97% 6.254 0.99 2.6 0.7 1.05 2.7 1.5 2.16 6.95 9.57 1.6 2.9 **NEWSPAPERS, PUBLISHERS** 11 0.6 10 17 11 0.4 10 24 10 13 11 19 11 27 11 27 11 27 1030.0 12 0.6 14 17 ssoc, News..... IPP Histogs 10p... lactoger ladex.... Hack (A. & C.).. Blesbelm Eatlight Do. Cap... OGT Japan... ### PAPER, PRINTING, ADVERTISING PAPER, PRINTING, ADVERTISI 122 1300. Class 8 0.989 0p. 137 122 praise 11. 137 122 praise 11. 137 122 praise 11. 137 137 praise 11. 138 137 14 praise 11. 137 137 praise 11. 138 137 14 praise 11. 139 15 praise 11. 139 15

ABER 6 (989

MANGE

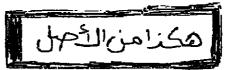
EVERY DAY

\$41<u>00</u>1 31 3138

₍₂₀71114)) 75

المتحل المتحدد والمتحدد المتحدد المتحدد

IS PONE



Ф 49

3608.35(4/1)

530.6 (15/1)

2223.56 (8/2) 423.91 (9/2)

327.78 (28/1)

2148.5 (4/1)

466.6 (13/1) 401.0 (21/1)

772.1 08/87

2772.53 (12/7)

426.62 (5/12)

301.63 (15/6) 3282.80 (5/12)

585.3 (1/12)

583.2

K MARKETS

			V	ORLD STO	CK
December Seds	PRAINCE Combinated	December 5	December 5	AGA B (Free)	Caron 1667 Sala
Jyshe Bask	1,600	01hett 9,300 -99	Basco Bilbao Viz 1,185 -6	AcC	Hone I Traesp Uthiruk #Day's STANE Compo Industr Flanac NYSE (Amex I HASDA S & P S & P TRADII Rew Yo Amex — OTC —
All regions of the Section of the Section of	Japan Ratio	Nikoto Corp. 1,150 420 1,150	Takara Shuze	December 5	CA TORON Metals Compos MONTS NE RANGE IN TORON METALS AT

	CANADA	
TORONTO 2pm prices December 5 Quotations in cents unless marked \$. 18000 AMCA ist 400 335 400+ 5 14709 Abstacl Pr 5194 18 19 2520 Agence E 3124 124 124 125 25384 Albrite En 5154 154 154 157 17 1800 Akec Cent S 21 21 21 12 12 25845 Albrite En 5154 154 157 17 1800 Akec Cent S 21 21 21 12 13 2600 Akec Cent S 21 21 21 12 13 2600 Akec Cent S 21 21 21 12 13 2600 Akec Cent S 21 21 21 12 13 2600 Akec Cent S 21 21 21 12 13 2600 Akec Cent S 21 21 21 12 13 2600 BCR A 510 81 23 12 11 12 13 2600 BCR A 510 81 18 18 16 16 16 2600 BCR A 510 81 18 18 16 16 16 2600 BCR A 510 81 18 18 16 16 271 271 271 18 18 18 18 18 18 18 18 18 18 18 18 18	Scient Stock	10 14 1 1 1 1 1 1 1 1

_	-				_					!Ni	DI	CES			-	_
NEW YO	RK		DQI	W JO	NES	5							Dec.	Dec	Dec.	ī
	Dec	Dec	Nov	Hor	l	196	38	S	ince co	mpilation			5	2	1	Ì
	2 1 30 29 High Low High Low AUSTRALIA ais 2092.28 2101.88 214.51 2101.53 2185.50 1879.14 2722.42 41.22 All Brilliants: U.1/1809 1447.2 1450.6 14			t												
ladestrials	2092.28 88.98	2101.88 89.32	2114.51 89.14	2101.53 99.10	嗯		1879.14 (20/1) 8b.12			41.22 (2/7/32)	_	Ali Missing (1/1/80)	1447.2 663.6	1450.6 660.0	1456.5 672.7	l
724Sport	934.85	935.77	936.52	928.98	938	33	(4/1) 737.57	110	1.16	12.32		AUSTRIA Credit Aktien (38/12/84)	220.10	221.30	220.50	l
LHITUES	Dec Dec Nov Nov 1968 Since compilation 5 2		5338.20	5355.70	١											
• • • • • • • • • • • • • • • • • • • •		Low 20	75.39 (20	95.480							-		25R 30	256.36	254.89	Ī
FANDARD AND POC Amposite \$	271.81				(20/)	00	(20/1)	(25)	8/87)	4.40 (U6/32)		FINLAND		744.4	744.6	ł
destrial					327	53 I	277.86 (20/1)	30	(17)	(21/6/32))	FRANCE				ł
					(20)	De j	08/13	(25)	9871	0/10/749	<u> </u>	EAC General (31/12/62)		(w) 150.0	392.3 150.7	ı
rSE Composite nex MicL Vaine			J		(20)1 309	8	(20/1) 262.76	(25)	8/877 5.01	(25)4/42) 29.31	•	FAZ Akties (31/12/58)		526.55 1579 3	529.54 1591.2	Ī
ISDAQ OTC Comp _	373.91	373.87	371.45	368.25	394.7	77 I	331.97	455	.28	54.87 GU1072	,	DAX (30/12/87)		1275.78	1277.98	ļ
		Non	25	Nov 3				<u> </u>	_		-		2671.21	2567.26	2668.03	ŀ
ow industrial Div.	Yield	. 3.	82	3.83	3				3.59		_		582 47	505.25	582 36	ſ
Districted dis-	talai							year			_		JUL 12			ŀ
& Pindi. P/E rati	9	: <u>1</u> 2	4	12.1	3	12	.60		16.3	9		Makket (16/5/49)			29541_46 2282_50	þ
ADING ACTIVITY			† Volum	<u>. </u>						N- 20		NETHERLANDS		240,25		ŀ
Dec			Nov 30	1 1			. 19	929	1953	1.941	Ī	AMP-CBS Industrial (1970)		272.8 240.4	273.4 241.0	
	205 1 1800	19.603	9.931	?	loriero	mi	<u> </u>	903 223 18	411	4/5 31	•	0.ko SE (4/1/83)	426.62	426.00	421.16	
t 12	1.023 1	23.249	ا الاركا	<u> </u>	tev Lov	5		20	27	30	_		993.16	999.37	2003,47	
ANADA	Dec	De	s 6	ice	Mor			1988				JSE Gold (28/9/78)		1352.0	1367.0 1864.0	
				~							_		10/24	1007.0	1004.0	H
etals & Alinerals Poposite	294 329	5.6 29 3.3 33	47.6 2 00.5 3	925.4 294.7		¥	26.5 (5/7 65.4 (5/7	2	2238 2977	.7 (8/2) .9 (8/2)			275.66	276.89	280.66	Ĺ
DATREAL Portfolio .	1633	.80 164	0.31 16	40.31 1	626.36	17	23.71 (5/	מ	1305.	D6 (27/1)	_	SWEDEN Jacobson & P. (31/12/56)	3282.80	3258.86	3255.27	1
IEW YO					OÇI	KS						SWITZERLAND Swiss Bank Ind. (31/12/56)	580.5	581.9	585.3	Ī
Friday R Nahisco	Stocks traded 5,172,1 2,898,1	prk	ce os		eral Elec	tric xi	tr	tocks acted 339,000	Closte price 437	- 40	e y	WORLD M.S. Capital lett. (1/1/70)	₩.	498.5	490.B	i
Hibiliae & 1 Indian	2,065 1,400 1,350	500 ZE 400 51	14 - 14 - 14 +	S PM	Serv E &	LG	H	21,900 248,400 184,700 158,700	437 427 407 241 151	- S		4 Subject to official reca	y Dec. 3: Iculation	Japan N	likkel 29	ž
or values of all indica			ACE ALL CA		J. C.			III	Townel	·	-					

	TO			Active Storecember 1988	cks		
_	Stocks Traded	Clasing Prices	Change on day		Traded		on day
3	43.8m	1.440	_	Japan Line Sumitomo Metal .	18.3m 18.8m	572 771	-18 -11

Travelling on Business in Luxembourg?

Empy reading your complimentary copy of the Financial Times when you're staying . . .

Hotel Cravat, Holiday Inn. Intercontinental Hotel, Hotel President FINANCIAL TIMES

Have your F.T. hand delivered

. . . at no extra charge. if you work in the business centres of Ankara, Adana, Adapazari, Antalya, Bursa, Eskischir, Istanbul, Izmir, Kuyseri, Kibris, Kocaeli, Manisa, Mersin, Samsun, Trabzon @ Istanbul 5120190/10 lines

> And ask Özkan Sisman for details. **FINANCIAL TIMES**

Travelling on Business?

Enjoy reading your complimentary copy of the Financial Times when you're staying in **Stockholm** at the

Hotel Diplomat, Grand Hotel, Lady Hamilton Hotel, Hotel Reisen, Hotel Sergel Plaza. Star Hotel, Strand Hotel, Royal Viking Hotel

. . in Gothenburg at the Hotel Gothia, Park Avenue, Sheraton

. . . in Malmo at the Garden Hotel



FINANCIAL TIMES

Europe's Business Newspaper

Have your F.T. hand delivered in Norway

If you work in the business centres of BERGEN, OSLO or STAVANGER — gain the edge over your

Have your Financial Times personally delivered to your office at no extra charge and you will be fully briefed and alert to all the issues that influence or affect your

12 issues free



market and your business.

When you take out your first subscription to the F.T., we'll send you 12 issues free. Then see for yourself why William Ungehouer. *Time* magazine's senior financial correspondent, describes us as "the paper with the best coverage of international finance."

© Oslo (02) 684020

And ask Heidi Aastorp at Narvesen Info Centre-NIC for details. **FINANCIAL TIMES**

Gless Provided Signature S

| Second | Direct | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100

\$\frac{1}{2}\frac{1}\frac{1}{2}\f

| 2012 | Carson 2.44 | 184 | Carson 2.44 | 184 | Carson 2.45 | 184 | Carson 2.45 | 184 | Carson 2.45

053014133333333585385355555551415565 05301413333335853853555555141556 345

Common to the property of the 18
31x + 1x
31x + 1x
31x + 1x
151x + 1x
21x - 1x
31x + 1x
301x + 1x
221x + 1x
221x + 1x

1347388449458397594739574952719479291372738734983423-72876948549485727741357278425754254

** Title 1800-1800 Low (** 11. ** 2. ** 4. ** 4. ** 11. ** 2. ** 4. ** 4. ** 11. ** 2. ** 4. ** 2. ** 8 MACH 24
8 MADE 10
115 MEM 28
11 # 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5

12 Manage

| High Low Shooth DR
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	12	N4	16d pf
10	35 26% PRH 1.12 10 6% PRM 1.2 46% 33% PNC 186 46% 33% PPG 1.38 33% 22% PS Grp .60 14% 11% PS4 16% 14 PacAS 1.54s 25% 35% PacSet 3.48 18% 14 PacAS 1.20 7-79 Perchanger 1.20		
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perchanger 1.20
7-79 Perc 的人,这一个人的人,我们也是他看到了一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也是一个人的人,我们也是一个人的人的人,我们也是一个人的人的人的人,我们也是一个人的人的人的人,我们也不是一个人的人的人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人的人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人,我们也不是一个人

1-12 1-14 - 15 1

1 45 1.7 16 .7 7 90 14 10. 11 10. 11 10. 12.

a ileo

7.37.117 6.514412 7.37.117 6.51412 7.37.117 6.51412 7.37.117 6.51412 7.37.117 6.51412 7.37.117 6.51412 7.37.117 6.51412 7.37.117 6.51412 7.37.117 6.51412 7.37 6.51412 7.37 6.51412 7.37 6.51412 7.37 6.51412 7.37

MBER 6 ING

NYSE COMPOSITE PRICES

154 Sunfil Sie 114 Sunfin 1256 2214 Sunfix 0120 23 Sundar 120 35 Sundar 120 35 Sundar 120 35 Sundar 120 312 Sunfin 154 Sunfix 156 155 Sunfix 158 Sunf

35, 64, TCSY ... 84
35, 65, TCSY ... 84
25, 71, TEOD ... 82
25, 71, TS ... 90
26, 71, TS ... 90
27, 71, TS ... 90
27, 71, TS ... 90
28, 71, TS ... 90
29, TS ... 90
29, TS ... 90
20, TS ... 90
20, TS ... 90
20, TS ... 90
20, TS ... 90
21, TS ... 90
21, TS ... 90
22, TS ... 90
23, TS ... 90
24, TS ... 90
24, TS ... 90
25, TS ... 90
26, TS ... 90
26, TS ... 90
27, TS ... 90
28, TS ... 90
29, TS ... 90
20, TS .

17. 446 17. 741. 18. 18. 21. 21. 18. 18. 21. 18. 18. 21. 18. 18. 21. 18. 18. 21. 18. 18. 21. 18. 18. 21. 18. 18. 21. 18. 18. 21. 18. 18. 21. 18. 18. 21. 18. 18. 21. 1

OVER-THE-COUNTER

Kenger
Kyonal 1
Kyona | STATE | STAT LipPiner J2
LipSCol
Li

Delichich 1.50
Delich ADC ASSAM AST S ACRES GACON ASSESSED STREET ASSESSED .31e .10

234 1931 2.14
554 1940 2.14
1554 1940 2.14
1554 1940 2.15
231 1857 2.25
24 1857 2.25
25 1857 1.45
454 1853 1.5
25 1857 1.45
454 1853 1.5
25 1857 1.45
454 1853 1.5
26 1857 1.5
27 1856 1.45
27 1856 1.45
28 1857 1.5
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.45
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
29 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 1.5
20 1856 412 SgniAgi 183 2214 Stgnet 1.40 2214 Stgnet 1.40 2214 Stgnet 1.85 1234 Stgnet 1.86 1234 Stgnet 1.86 2214 Stgnet 1.86 2214 Stgnet 1.86 2214 Stgnet 1.86 2214 Stgnet 1.80 2315 Sont 1.20 2315 Sont 1.20 2315 Sont 1.20 2316 Sont 1.20 2316 Sont 1.20 2317 Sont 1.20 2318 Sont 1 **COMPOSITE PRICES**

13½ Zentkii 86b 11½ Zero .44 15½ Zumin .68 8½ Zweig 1.04 9¼ ZweigT s.08e

5.0 7 41 16 2.6 14 67 16 4 2.4 17 249 28 10. 533 10 4 .9 474 9 1₂

16 + 1/2 161/4 + 1/2 28 + 1/4 101/4 61/4 - 1/2

3pm prices December 5

15% 16% 27% 10% 9%

hand delivered every working day, if you work in the business centres of MALMO, STOCKHOLM or GOTHENBURG Stockholm (08) 235305 FINANCIAL TIMES

Stock Div. E
ATT For Stock Div. E
Attack Articles
Allow 1
Allow 1
Allow 1
Allow 2
Allow 2
Allow 3
Allow

AMERICA

a discount rate increase

THE ABSENCE of the widely expected increase in the discount rate helped equities to rally strongly yesterday, writes Janet Bush in New York

The market was also boosted by the unveiling of a new form share buy-back scheme called "unbundled units", which allows companies to borrow without undergoing a large recapitalisation scheme. Unbundled units are pack-

ages of bonds, preferred stock and equity appreciation certifi-cates designed to allow investors to receive the benefits of any stock price or dividend The immediate reaction to the product was that it would make it less likely that a com-

pany would have to burden itself with debt in, for example, a leveraged buy-out.
The combination of these two factors pushed the market up strongly. By 2pm, the Dow Jones Industrial Average stood 31.12 higher at 2,123.40, its

highest level for about a Speculation of an increase in the 6.5 per cent discount rate had been strengthening even before last Friday's employment figures which showed a much larger than expected

463,000 jump in the non-farm payroll last month. Short-term money market rates have surged to a level which already discounts a half point rise in the Fed's key rate and Fed Funds are now trading in a clearly higher range than they were during the autumn. At midsession yesterday, Funds were quoted at 8¹/₁ per

Bond analysts believe that a rise in the discount rate is now inevitable as the markets need a sign of the Fed's anti-inflationary resolve. The question is one of timing as a discount rate increase is largely a politi-cal and symbolic gesture

rather than an effective tool of monetary tightening.

The stability of the dollar yesterday in spite of the lack of a discount rate increase is one factor which may delay any move by the Fed which may want to keep ammunition in store for a time of pronounced dollar weakne

A survey of analysts' views on the economy compiled by the National Association of Business Economists showed that the consensus of forecasters are expecting US growth to slow to a real rate of 2.5 per cent in 1989 compared with an expected 3.8 per cent this year. At the same time, however, consumer price inflation is expected to rise to 5 per cent next year from 4.1 per cent expected this year and 4.4 per cent in 1987.

The majority of those surveyed predicted a recession, probably in late 1989 or early 1990, and a peak in interest rates in the first half of 1989. Four companies announced that they would swap common shares into unbundled units and all rose on the news. American Express gained \$% to \$27%, Dow Chemical jumped \$1% to \$85%, Pfizer added \$1% to \$57% and Sara Lee gained

\$1½ to \$46. The announcements of this new kind of restructuring, designed by Shearson Lehman Hutton, also helped other recently to be possible take-over candidates. Time rose \$1% to \$100%, Mead added \$% to \$40% and McGraw-Hill was up

\$% to \$62%.

Among featured individual stocks, General Motors surged \$2% to \$86 after an analyst was reported to have said the company's stock could rally if it went ahead with a boost in its

dividend next year.

Texaco added \$1 to \$48 on reports that an unidentified investor had approached Mr Carl Icahn about selling his 14.8 per cent stake. British Steel was the most

active issue on the New York Stock Exchange yesterday morning as trading began in the newly privatised company. It was quoted unchanged at Chemical Banking dropped \$1% to \$32% after news that the Federal Reserve had cleared its acquisition of Horizon Bancorp. Horizon rose \$1%

Canada

AMID expectations of a prime rate increase by commercial banks, Toronto shares posted a minor gain at midsession. Gold prices and oil prices were flat. The composite index rose 4.10 to 3,297.40 as gains outran losses by 117 to 101 on light volume of 2.4m shares.

International Thomson, with plans to sell its oil and gas interests, rose C\$\% to C\$14\%, while Teck gained C\$% to C\$18 on news that it had bought shares in Golden Knight. Among oils, Texaco Canada

Rotten reports take little toll on state of Denmark

The strong bond market is helping equities to highs, writes Hilary Barnes

HE Danish equity market appears to be in the midst of an unstoppable recovery, apparently uninfluenced by one dismal report after another predicting macro-economic disaster for the country if the politicians do not soon stop the foreign

debt from growing.
The all-share index passed its previous all-time high last Thursday, two days after the Economic Advisory Council, one of the most prestigious analysis institutes, predicted that 1989 would be another year with no economic growth. Share prices have since main-tained their upward momen-tum, with the index closing

tum, with the index closing yesterday at a new high of 258.30, up 1.94 on the day.

Share prices have risen by about 34 per cent since the year began, with the index standing about 20 per cent higher than its pre-Black Monday level.

Two main factors lie behind the recovery, say brokers. Leading industrials are reporting better-than-expected interim results; expectations of good figures from East Asiatic in its third quarter report, due on Thursday, are behind EAC's 3.4 per cent rise over the past week, to DKr276 yesterday.

Record annual profits reported last week by Carlsberg confirmed the market's view that export-based industrials have achieved a significant transport this result to the confirment transport the confirment transport to the confirment transport transport transport to the confirment transport trans cant turnround this year.

FT~A World Indices In sterling terms Denmark

108

Europe excl. UK

A marked rise in bond prices, and falling effective yields - down by almost 2.5 percentage points to just over 10 per cent since the end of last year - has also had a key impact on the market. Declin-ing bond yields make shares an attractive alternative.

There has been some speculation that, with the gap between bond yields in West Germany and Denmark narrowed to about 3 points, the rise in Danish bond prices has to ston but so for the posito stop, but so far the pessi-mists have been proved wrong. Prices rose by a further qua-ter of a point yesterday and foreign investors showed no

sign of nervousness.

The strong performance in the bond market has a direct influence on the banks and insurance companies. Portfolio gains and losses, whether real-ised or not, are entered fully into the profit and loss account in the year in which they occur, so the financial service companies are expected to show a big improvement in earnings this year. The bank

by 13 per cent this year, insurance companies by 46 per cent. The shipping index has risen by 74 per cent so far this year, led by Lauritzen Holding, which has jumped from DKr12,400 at the end of last year to its present DKr29,000. Lauritzen, which operates one of the world's two largest fleets of refrigerated cargo vessels, confirmed its recovery from a long period of financial trouble by placing an order for three new refrigerated cargo vessels

late last week. Shares in the A P Moller companies, D/S 1912 and D/S Svendborg, are both up by more than 60 per cent this year. Moller is in the process of placing orders for nine feeder container vessels to supplement its large liner fleet.
Industrials have also per-

formed well, with that sector's index up by about 52 per cent this year. Nearly all the larger industrials, including Carlsberg, Novo, Danish Sugar, Superfos and Northern Feather, have published interim reports which point to satisfactory full-year earnings. So far the equity market's recovery has not produced much new issue activity. Hoejgaard Holding, holding company for the large building and construction group, Hoejgaard & Schulz, was the first to test the market last month, but had some difficulty selling the issue.

Some smaller companies are rumoured to have issue plans for the spring, but with investment activity in industry currently in decline, no key issues and the companies of the spring the companies of the companies are rumously in the compani are expected in the immediate future.

ASIA PACIFIC

Dow rallies in absence of Emperor's worsening illness brings caution

Tokyo

THE HIGH level of prices and a worsening in the Emperor's illss brought a cautious tone to the market and the Nikkei average lost ground in substantially lower volume, writes Michiyo Nakamoto in Tokyo.

The index dived from a high

of 29,655.90 to a low of 29,438.66 but recovered a large portion of its losses to close down 50.82 29,614.68. Falls led gains by 541 to 291 and 195 issues were unchanged. Volume was much lower at 652m shares, compared with the 124bn on Friday.

The Topix index of all listed shares lost 5.59 to 2.289.57 and in later trading in London the ISE/Nikkei 50 index rose 2.55 to

There was no visible trend to the Tokyo session, in which prices fell very quickly on little volume. The Emperor, who has been ill since mid-September, was reported to be in a worse was reported to be in a worse condition. The new Nikkei high of 29,665.50, reached in half-day trading on Saturday, also kept investors wary.

Bargain-hunting later in the day helped share prices recover significantly, reflecting the underlying firmness of

the underlying firmness of market sentiment, according to

Motors Company (MMC), part of the Mitsubishi Group, which as listed for the first time. Mitsubishi Motors, which had a pre-listing public offer price of Y850, was the most heavily traded issue at 43.8m shares, although it was traded on only four occasions. It closed the morning session with only bid prices, which continued to rise on waves of buy orders. The initial quotation for MMC was Y1,380 and the issue closed at Y1,440, or Y590 above its pre-listing price. Analysts said interest was particularly high as car and large-capital stocks are becoming increasingly pop-

One notably strong sector amid the overall downturn was utilities. Many reported good half-year results last week and the stocks are considered to be undervalued. There was particular interest in regional utilities, which generally did better than the hig city companies, such as Tokyo Electric Power,

fell Y20 to Y4,270. Chubu Electric Power advanced Y80 to Y4,080. The company supplies electricity to

which lost Y50 to Y6,850 and Kansai Electric Power, which

Mr George Nimmo at SBCI Securities (Asia).

All eyes were on Mitsubishi Motors Company (MMC), part of the Mitsubishi Group, which

strong.
Other strong performers included Chugoku Electric Power, up Y150 at Y3,350, and Tohoku Electric power, which advanced Y180 to Y3,280.

advanced Y180 to Y3,280.

Large capital steels and shippings were out of favour. Kobe Steel, second most active with 37.2m shares traded, fell Y12 to Y753, while Nippon Steel lost Y10 to Y935 in heavy trading. Kawasaki Steel was unchanged at Y1,070.

Achilles an integrated rub.

Achilles, an integrated rubber and plastics processor, posted a substantial gain of Y200 to Y1,230 in the third most active trading of 23.7m shares on the view that it was

undervalued.
Leading stocks fell out of favour in Osaka, and the OSE average lost 109.25 to 27,618.57.
Volume was very low at 36m shares, compared with 105m on Friday. Achilles was the best performer in Osaka, where it added Y200 to Y1,230.

Roundup

WEAKNESS in New York and

Tokyo depressed the main regional markets and only Hong Kong managed a rise. South Korean shares, cocooned from outside influences, saw further sharp gains while Taiwan dropped sharply again. HONG KONG overcame hesi-

tation about the weekend rise in local prime rates to 10 per cent from 9% per cent and held steady despite Wall Street's weakness on Friday. The com-mercial and industrial sector showed the main gains, leaving the Hang Seng index 4 better at 2,671.26 in fairly active trad-

ing of HK\$1.2bn.

Speculation that Cavendish
International would be taken private sent the stock up 27% cents to HK\$3.35 and boosted related stocks Hutchison, 5 cents better at HK\$8.80, and Cheung Kong, up 15 cents at

AUSTRALIA remained thin and uneventful, with Friday's weakness on Wall Street leaving shares slightly lower over-all. Companies with large borrowings suffered in particular from fears of a rise in interest rates in the US — and other markets - following further signs of economic overheating in Friday's American jobs fig-

The All Ordinaries index fin-

ished 3.7 lower at 1,447.2 in low volume of 98m shares worth A\$154m, exacerbated by technical difficulties that delayed 35 38 ET 8

water confi

· 在北京教育(

Padomit itae

THE STATE OF THE A

gra zedrus

screen prices.
In industrials, Bond Corp lost 10 cents to A\$1.70 in turnover of 1.8m shares after going ex an 8-cent dividend. BHP was also active on 2.5m shares, off 8 cents at A\$6.66. CSR, in which Fletcher Challenge announced a 9.77 per cent stake, shed 6

cents to A\$4.28. Resources saw Bougainville Copper off 2 cents at A\$2.80, reacting less sharply than on Friday to news of further sabotage at its Panguna mine in Papua New Guinea. Western Mining, which has agreed the purchase of 60 per cent of the Agnew nickel mine from BP Australia, rose 9 cents to

A\$4.65. SINGAPORE eased in contin-ued thin trading of 11.2m shares, similar to Friday's 11m, with interest rate worries leaving the Straits Times industrial

index 6.21 weaker at 993.16. There were 111 falls to only 22 rises, and institutions again stayed out of the market, leav-ing activity to retail investors. TAIWAN weakened further after Saturday's 300-point plunge. The weighted index lost 139.71 to 6,310.62.

Frankfurt confounds by finishing stronger

EVENTS on Wall Street kept a hold on European trading yesterday but there was an unlikely bid for freedom by West German shares, which managed small gains, writes Our Markets Staff.

FRANKFURT surprised analysts by rallying despite an unchanged picture on interest rates and the dollar. Turnover in German shares was DM2.3bn – reasonable com-

pared with last week's lows. The FAZ was up 3.41 at mid-session at 529.96 and the DAX finished 6.45 higher at 1,282.23. Thyssen, a popular stock with analysts, came out with a forecast that its pre-tax profits this year would double to at least DML1bn. The news was

largely in the price already, said one analyst, and the stock rose just DM1.60 to DM181.60. In cars, VW powered ahead by DM7.10 to DM325.80 although the company said rumours it was trying to build a stake in Jaguar, the UK luxury car maker, were unfounded. VW, which was the day's most active stock with DM423m worth of shares traded, receives a listing in

Tokyo today. Computer stock Nixdorf, which plunged last week on poor prospects for profits and dividends this year, picked up DM5 to DM299.50, but some brokers expect it to fall back again and to bottom out at around DM200 or even lower.

A buoyant capital goods sec-tor saw MAN rise DML90 to DM229.70 after its 24 per cent rise in global profits last week, and Mannesmann gain DM2.10 to DM194.60. AMSTERDAM was given a late injection of life after Wall

Street opened firmly. The CBS all-share index finished the day 0.5 higher at 99.3.

0.5 higher at 99.3.

Bols, the distiller, added F1 5 to F1 144.50 on plans for co-operation with Heineken, unchanged at F1 139.50. There was little specific on the plans, but speculation centred on Bols possibly taking over Heineken's peripheral distilling activities. One analyst said activities. One analyst said Heineken was unchanged because the stock was not looking cheap on fundamen-tals, given that it appeared mmune to takeover.
Steel stock Hoogovens

remained strong, gaining Fl 3.90 to Fl 72.60, a new high for the year. The positive outlook for the industry and the over-subscription of the British Steel offer last week are both helping the stock.

Shipping stock Nedlloyd rose a sharp Fl 8.50 to Fl 235, recov-ering most of Friday's fall, on continued speculation about a takeover bid. MILAN finished weaker in

quiet trading, with little interest from abroad. The Comit index fell 2.84 to 582.41 amid worries over the global interest rate environment.

However, mutual fund fig-ures for November showed a better picture, with redemptions below L600bn compared with over L900bn in October. Italcable, the overseas carrier for Stet, the state telecommunications holding company,

plunged L1,310 to L11,600 after Friday's proposal for a share swap scheme for the incorporation of Stet's main operating units. Sip, the telephone company, eased L43 to L3,000.

One Italian analyst said Sip appeared on the face of it to be a cheap way into Stet, and Italcable an expensive one: the proposals from a panel of experts are for Sip shareholders to receive four Stet shares for five of Sip, and for Italcable shareholders to receive three Stet for each Italcable.

PARIS had a quiet session with few features. Volume was low and share prices ended weaker, though slightly up on

the day's lows.

The CAC General index put on 1.1 to 392.3 and the OMF 50 index lost 0.63 to 404.60. One dealer in Paris said: "Everyone came in expecting it to be a

bad day because of Wall Street's drop on Friday and it did become a bad day." Wall Street's early strength yesterday had little impact on Paris. Epeda was one of the day's largest movers, adding FFr148. or 14 per cent, to FFT1,199.
Thomson-CSF, electronics
group, fell 50 centimes to
FFT199.50 with BAe of the UK

confirming the two were dis-cussing a possible alliance. ZURICH returned from the weekend in quiet mood, with much of the recent switching between bearer stock and participation certificates apparently completed for now.

One dealer said many institutions had closed their books for the year and this would keep volumes low for the next couple of weeks. The Crédit Suisse index fell 1.2 to 508.7. OSLO responded favourably

and the strength of the Norwegian krone. The all share index continued its climb, rising 0.43 to another high for the year of 309.69. Norsk Hydro gained NKrI to NKr109 while Elkem added NKr3.50 to NKr164.50.

to stable North Sea oil prices

STOCKHOLM was buoyed by strong foreign interest in blue chips. The Affärsvärlden index added 6 to 972.4.

BRUSSELS ended marginally easier in quiet trading on the final day of the forward market account. The cash market index eased 13.57 to 5,324.69. Wagons-Lits went against the trend with a rise of BFr180

to BFr8.170 MADRID continued to languish as investors stayed away, and the general index lost 1.23 to 275.66.

With an annual turnover exceeding £500m, Gardner Merchant is Europe's largest contract catering company and a world leader in its field.

Of the UK's top 100 companies, 84 are already clients of ours. And we're currently talking with a further twelve. We employ over 34,000 staff. All people who

understand the true meaning of the word 'service'. Gardner Merchant invest more money in training, management development, information technology and other key support services than all

This is the commitment to the industry that has made us undisputed market leader.

our competitors put together.

Providing you with true value and real quality. So take this opportunity to contact us - the professionals. We will provide you with the standard of catering excellence that has made Gardner Merchant the choice of over 4000 organisations worldwide.

Put our 100 years of experience to the test today.



Trusthouse Forte

For further information please contact Peter Howell GARDNER MERCHANT, FREEPOST 100, MANCHESTER M60 9AU, OF FREEFONE 5525

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood Mackenzie in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS		FRIDA	Y DECEMBE	R 2 1988		THURSE	AY DECEMB	ER 1 1988	, ac	HLAR IND	EX
Figures in parentheses show number of stocks per grouping	US Dollar Index	Day's Change %	Pound Sterling Index	Local Curtency Index	Gross Div. Yield	US Dollar Index	Pound Sterling Index	Local Currency Index	1988 High	1988 Low	Year ago (approx)
Australia (91). Austria (17). Belgium (63). Canada (125). Denmark (39). Finiand (26). France (130). West Germany (102). Hang Kong (46). Ireland (18). Italy (98). Japan (456). Malaysia (36). Mexico (13). Netherland (38). New Zealand (25). Norway (25). South Africa (60). Spain (42). Sweden (35). Sweden (35). Swetzerland (57). United Kingdom (318).	121,92 155,92 139,83 110,67 111,01 131,66 86,55 140,08 178,76 108,99 68,67 128,59 118,83 125,75 149,80 138,17 79,18	94103951951196211196547114073	114.69 78.21 106.56 97.36 124.51 111.67 88.38 69.15 105.15 105.15 152.09 111.87 142.76 87.04 54.84 102.69 94.90 100.43 119.63 119.63 110.34 63.23 109.43 88.46	109.66 88.15 119.78 104.83 141.44 119.82 102.59 77.79 111.20 119.85 82.67 144.24 446.50 97.05 56.02 112.97 106.59 98.17 128.18 122.98 71.18 109.43 110.78	4.95 2.44 3.37 2.14 1.3.16 2.40 4.20 2.51 2.94 1.15 5.08 7.05 2.70 2.70 2.70 2.70 2.70 2.70 2.70 2.70	144.14 98.05 133.47 122.24 154.48 139.13 110.85 86.96 110.93 131.43 86.00 190.01 139.89 109.20 69.05 126.72 119.35 127.95 127.95 127.95 127.95 127.95 127.96 137.96 111.10	115.32 78.45 106.78 97.80 123.60 123.60 123.60 123.60 88.56 88.76 105.15 111.93 142.93 111.93 142.93 102.37 102.37 102.37 102.37 103.88 88.89	110.01 88.19 120.13 105.07 140.83 119.71 102.98 78.33 111.14 111.71 82.27 146.05 144.15 446.50 97.39 56.61 111.41 107.33 99.01 129.64 71.29 110.38 111.10	152.31 100.00 139.89 128.91 155.92 139.83 112.05 88.21 111.86 144.25 86.73 190.75 154.17 182.24 111.00 84.05 132.23 135.89 139.07 164.47 138.17 86.75 141.51 115.55	91.16 83.72 99.14 107.06 111.42 106.78 72.77 67.78 84.90 104.60 62.99 133.61 107.83 90.07 95.23 64.42 98.55 97.99 98.92 74.13 120.66 99.19	94.13 90.71 95.08 100.07 110.24 80.29 73.00 77.41 93.50 77.41 93.50 97.34 117.49 89.39 75.28 91.40.65 114.52 91.85 75.65 116.06
Europe (1008)	123,55 155,38 138,41 138,35 113,15	94 993 993 999 999 999 999 999	91.35 147.96 125.30 88.93 79.95 98.67 124.09 110.53 130.48 90.36	97.84 143.08 125.14 110.43 90.84 104.36 124.33 120.81 119.86 105.83	3.80 0.74 1.64 3.66 2.99 4.79 1.72 2.06 2.29 3.77	114.82 184.90 156.85 111,69 100.26 123.84 155.37 138.44 138.45 113.53	91.87 147.94 125.50 89.36 80.22 99.09 124.31 110.77 110.77 90.84	98.39 143.01 125.31 110.75 91.13 104.64 124.51 120.95 120.08 106.24	116.61 185.75 158.08 116.07 101.29 128.27 156.39 138.58 138.69 115.54	97.01 130.81 120.36 99.78 80.27 87.51 120.26 111.77 113.26 100.00	94.60 133.71 118.10 91.68 81.29 85.96 117.71 106.62 107.23 92.98

Base values: Dec 31, 1986 = 100; Finland: Dec 31, 1987 = 115.037 (US \$ Index), 90.791 (Pound Sterling) and 94.94 (Local). Copyright, The Financial Times Limited, Coldman, Sachs & Co., and County NatWest Securities Limited. 1987 Latest prices were unavailable for this edition.